



**TSAL'ALH**  
Development Corporation

# Tsal'alh Development Corporation

## Finance & Procurement Policy

2015 June 14

## Table of Contents

1.0	Background .....	2
2.0	Responsibilities of the General Manager.....	2
3.0	Responsibilities of the Bookkeeper/Accountant.....	5
4.0	Financial Management & Accounting Systems .....	6
5.0	Financial Control Systems .....	6
6.0	TDC Accounts and Account Controls .....	6
7.0	Financial Data Management .....	7
8.0	Loans and Borrowing Powers.....	7
9.0	Debts .....	7
10.0	Insurance.....	7
11.0	Organization of Finances .....	8
12.0	Financial Planning .....	8
13.0	Financial Reporting.....	8
14.0	Audit and Reporting Requirements .....	9
15.0	Budget Adjustment & Amendment Process.....	9
16.0	Financial Information Disclosure.....	10
17.0	Purchasing and Contracts.....	10
17.1	Applicability .....	10
17.2	Purchasing and Expenditure Authority.....	11
17.3	Bids or Quotes .....	11
17.4	Purchase Orders.....	12
17.5	Contract Renewal.....	14
17.6	Payroll Controls .....	14
17.7	Petty Cash.....	15

### 1.0 Background

### 1.1 TDC Purpose

TDC is accountable to its Board of Directors, Shareholder and Tsal'almec for the use of funds from various business ventures, property purchases and contracts entered into with several companies and partners. These resources must be wisely used and invested for the business to be a successful entity and maximizing economic opportunities and benefits for Tsal'almec and the future generations.

### 1.2 TDC Values

The values of TDC are for the Corporation to be responsible, culturally relevant, collaborative and partnership oriented, strategic and to create wealth.

### 1.3 TDC Vision

The TDC creates a self-sufficient stable foundation for wealth creation, self-sufficiency, economic independence that benefits/enhances the lifestyle of Tsal'almec and future generations.

### 1.4 TDC Mission Statement

The TDC achieves this through collaboratively identifying, developing and maximizing economic opportunities, as a well-run efficient organization that also contributes to developing a healthy diversified, strong, Tsal'alh economy that is responsive to the needs and interests, and supports the success, of the Tsal'alh Government, and Tsal'almec.

To do this the TDC also supports small business development, develops/utilizes community HR and skills, education, training, and on-going capacity development.

### 1.5 TDC Objectives

This Financial Policy is designed to:

- a. Regulate the receipt, management and expenditure of TDC funds;
- b. Provide all TDC employees with direction and guidance in connection with TDC accounting transactions, procedures and reports;
- c. Ensure that TDC finances are administered in a manner that encourages:
  - a) Sound financial management and effective system of internal controls;
  - b) Effective and efficient use of funds in the provision of TDC services;
  - c) Cooperation and coordination with the Shareholder, Tsal'alh Government and Tsal'almec; and
  - d) Development of appropriate financial capacity for present and future needs.

## 2.0 Responsibilities of the General Manager

As outlined in the TDC Governance Policies, the General Manager (GM) is the Board's only link to administrative achievement and conduct. For the TDC, all administrative achievement and conduct of staff are the responsibility of the GM. The GM may delegate some responsibilities to the Bookkeeper/Accountant, but the GM remains accountable for their actions in ensuring that the following limitations regarding Financial Management are adhered to:

### 2.1 GM Fiscal Planning Responsibilities

Policy	The GM will not act in a manner inconsistent with the financial requirements of the TDC, and
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	<p>will not depart significantly from the Board's stated strategic goals or jeopardize the fiscal standards of the Board. Therefore, the GM will not:</p> <ol style="list-style-type: none"> <li>a. Permit accounting and reporting systems to operate outside of generally accepted accounting principles (GAAP).</li> <li>b. Plan or expend more operating funds than are conservatively projected to be received in any given fiscal year (e.g. will not operate in a deficit position).</li> <li>c. Produce a budget which contains too little information to allow: <ol style="list-style-type: none"> <li>i. A reasonably accurate projection of revenues and expenses.</li> <li>ii. A reliable cash flow projection.</li> <li>iii. Subsequent audit trails.</li> <li>iv. Planning assumptions.</li> </ol> </li> <li>d. Reduce current liquid assets below a level that can meet the TDC 's current liabilities.</li> </ol>
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## 2.2 GM Financial Conditions and Activities Limitations

Policy	<p>The CEO will ensure that the TDC is financially sound. Therefore, the GM will not allow financial risk to develop, nor jeopardize his/her ability to allocate funds with integrity. Therefore, the GM will not:</p> <ol style="list-style-type: none"> <li>a) Fail to provide timely monthly, quarterly and annual financial reporting to Board, in the format determined by the Board.</li> <li>b) Fail to immediately report to the Board and provide recommendations to mitigate risk, when an individual Board member(s), or the Board as a whole, is presented with a potential liability.</li> <li>c) Commit nor expend more funds than have been provided for in the approved annual budget.</li> <li>d) Indebt the TDC beyond any levels provided for in the annually approved budgets (annual and long-term).</li> <li>e) Use any long-term reserves without authorization through the duly approved budget.</li> <li>f) Conduct inter-fund transfers to a greater amount than can be restored by uncommitted revenues within thirty (30) days.</li> <li>g) Fail to settle payrolls and debts quickly and according to supplier terms.</li> <li>h) Allow tax payments or other government ordered payments or filings to be overdue or inaccurately filed.</li> <li>i) Make a single purchase or financial commitment of greater than \$25,000 outside of the approved annual plan, without Board's approval.</li> <li>j) Acquire, encumber, or dispose of real property, without Board's approval.</li> <li>k) Fail to aggressively pursue receivables after a reasonable grace period.</li> </ol>
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## 2.3 GM Asset Protection Limitations

Policy	<p>The assets of the TDC must be properly cared for, including property, equipment, intellectual property, and computerized data. The GM will not allow TDC assets to be unprotected, inadequately maintained, or unnecessarily risked. Therefore, the GM will not:</p> <ul style="list-style-type: none"> <li>a) Fail to insure against theft and casualty losses to at least 80% of replacement value (based upon GAAP depreciated value rates).</li> <li>b) Fail to insure against liability losses to Board members, staff, and the TDC in amounts no less than the average for comparable operations.</li> <li>c) Allow the purchase and licensing of computerized equipment, software, or data or other intellectual property, utilized by the TDC to be held or owned outside of the TDC, unless there is expressed written permission by Board.</li> <li>d) Allow non-bonded personnel to access TDC funds.</li> <li>e) Allow infrastructure and equipment to inadequate maintenance and improper wear and tear.</li> <li>f) Unnecessarily expose the TDC, Board, or staff to claims of liability.</li> <li>g) Make any purchase:             <ul style="list-style-type: none"> <li>i. Where normal, careful protection has not been given against conflict of interest.</li> <li>ii. Of more than \$10,000 without a strict method of ensuring a balance between cost and long-term quality.</li> <li>iii. Of more than \$25,000 without having obtained comparative prices and quality through an RFP.</li> </ul> </li> <li>h) Receive, process or spend funds under controls that are insufficient to meet the TDC auditor's standards.</li> <li>i) Invest or hold operating capital in unsecured instruments, including:             <ul style="list-style-type: none"> <li>i. Uninsured chequing accounts and bonds of less than AA rating.</li> <li>ii. Non-interest bearing accounts.</li> </ul> </li> <li>j) Endanger the public image or credibility of the TDC, particularly in ways that would hinder accomplishment of its strategic goals.</li> </ul>
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## 2.4 GM Focus of Funding and Contracts Limitations

Policy	<p>The GM will not enter into any funding or contract arrangements that fail to fit with the Annual Plan, and/or fail to prevent the GM from acting within the limitations set by Board. In addition, the GM will not:</p> <ul style="list-style-type: none"> <li>a) Fail to prohibit particular methods and activities that would lead to funds being used in ways that are inconsistent with the funding terms, or are careless, unlawful or unethical.</li> <li>b) Fail to assess and consider whether those staff or contractors associated with the funding or contract are capable to produce appropriate, targeted and efficient results.</li> <li>c) Award funded positions or contracts over \$10,000.00 without having obtained comparative prices and quality</li> </ul>
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### 3.0 Responsibilities of the Bookkeeper/Accountant

For TDC, all administrative achievement and conduct of staff are the responsibility of the GM. The GM delegates some responsibilities to the Bookkeeper/Accountant, but the GM remains accountable for the department's actions, which are required to be consistent with the limitations outlined in the *Responsibilities of the GM* section.

Policy	<p>The Bookkeeper/Accountant is responsible for:</p> <ul style="list-style-type: none"> <li>a. Maintaining an annual budget that estimates resources and expenditures, based upon a five year rolling strategic plan.</li> <li>b. Ensuring that adequate internal controls and systems are in place so:             <ul style="list-style-type: none"> <li>i. All financial transactions are properly authorized and adhere to TDC Conflict of Interest Policies;</li> <li>ii. All financial transactions are recorded and coded correctly, according to Generally Accepted Accounting Principles (GAAP);</li> <li>iii. Relevant, timely and clear financial information is provided to the GM and</li> <li>iv. Error and fraud will be prevented, detected, and corrected.</li> </ul> </li> <li>c. Ensuring TDC assets are protected, consistent with GM limitations;</li> <li>d. Recommending an auditor.</li> </ul> <p>TDC Operations Manual</p> <ul style="list-style-type: none"> <li>a. Regularly reviewing and recommending updates for the TDC Operations Manual to the GM that ensure the effective management of TDC finances, consistent with legislative requirements and best practices;</li> <li>b. Regularly engaging the GM and TDC employees to review required policy update recommendations that support effective financial management through a process that improves overall TDC efficiency and effectiveness; and</li> <li>a. Make recommendations to the GM for general TDC policy updates as needed.</li> </ul> <p>GM Support</p> <ul style="list-style-type: none"> <li>a. Regularly engaging/collaborating with the GM to provide financial management support for effective and efficient financial management, including but not limited to:             <ul style="list-style-type: none"> <li>i. Assisting the GM in streamlining financial planning/reporting and department policy writing;</li> <li>ii. Providing support to effectively manage and lead resolution of complex budget issues;</li> <li>iii. Wage planning for employees;</li> <li>iv. Providing feedback to employees and contractors/consultants to improve informed decision-making, TDC management, and operations; and</li> <li>v. Planning and implementing an effective TDC Annual Financial Management Plan as part of the annual TDC Strategy Plan/Annual Plan that strengthens organizational effectiveness, efficiency and accountability.</li> </ul> </li> </ul>
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### 4.0 Financial Management & Accounting Systems

Policy	<p>The Bookkeeper/Accountant is responsible for ensuring that TDC financial management does not jeopardize the fiscal standards of TDC, which includes:</p> <ol style="list-style-type: none"> <li>a. Ensuring accounting, financial management, and reporting systems are consistent with generally accepted accounting principles (GAAP);</li> <li>b. Developing an annual budget that provides an accurate projection of revenues and expenses, cash flow projection, and is consistent with audit requirements; and</li> <li>c. Maintaining a balanced budget for each fiscal year.</li> </ol>
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## 5.0 Financial Control Systems

Policy	<p>The Bookkeeper/Accountant will ensure that adequate internal controls and systems are in place so:</p> <ol style="list-style-type: none"> <li>a. All financial transactions are properly authorized;</li> <li>b. All financial transactions are recorded and coded correctly;</li> <li>c. All assets of the TDC are safeguarded;</li> <li>d. Relevant, timely and clear financial information is provided to those who need it to carry out their duties; and</li> <li>e. Error and fraud will be prevented and/or detected.</li> </ol>
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## 6.0 TDC Accounts and Account Controls

Policy	<ol style="list-style-type: none"> <li>a. The TDC must maintain a bank account with a recognized chartered bank with additional accounts opened as required, and approved by the GM and TDC Board of Directors.</li> <li>b. Cheque signers are to be limited to the GM and up to four (4) Board members.</li> <li>c. A minimum of two (2) signers must sign every cheque.</li> <li>d. Authorized signing officers shall not sign or prepare cheques made payable to themselves or persons where there is a potential or real conflict of interest.</li> <li>e. The bank shall be notified of any changes in signing authority.</li> <li>f. Blank cheques shall never be signed. Cheques must be properly completed prior to being signed.</li> <li>g. Blank cheques that are sequentially pre-numbered must be stored in a secure location accessible only by the GM and Bookkeeper/Accountant.</li> <li>h. Cheques should be three-part forms, consisting of a cheque and two (2) advices (cheque stubs). Advices shall include the following information: <ol style="list-style-type: none"> <li>i. Payee</li> <li>ii. Date of payment</li> <li>iii. Amount of payment</li> <li>iv. Cheque number</li> <li>v. Reference numbers for documents being paid</li> </ol> </li> <li>i. Once the approved accounts payable coding voucher has been entered into the general ledger, cheques must be prepared, issued, and recorded in the general ledger in order to discharge the liability.</li> </ol>
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## 7.0 Financial Data Management

Policy	<p>The Bookkeeper/Accountant will ensure that all financial data is managed and protected in the following ways:</p> <ol style="list-style-type: none"> <li>a. Store computerized data on the TDC server.</li> <li>b. Back up the server each night and take the backup media off site. The backup may be in the form of an TDC owned dedicated removable storage device and should be: <ol style="list-style-type: none"> <li>i. Stored under lock and key;</li> <li>ii. In a fireproof container.</li> </ol> </li> <li>c. Install and regularly update anti-virus software.</li> <li>d. Password protect access to all computers and devices, used by the Bookkeeper/Accountant that have TDC information stored on them.</li> <li>e. Ensure that no one other than TDC employees with written approval from the GM and/or Board, have access to TDC financial information at any time.</li> <li>f. Ensure all hard copy accounting information is stored neatly in binders or files and is kept in lockable filing cabinets for no less than seven years.</li> <li>g. Ensure digital data remains secure for no less than seven years.</li> </ol>
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## 8.0 Loans and Borrowing Powers

Policy	<p>The TDC is prohibited from making loans to any member of the TDC Board, or any individual or group of individuals, from monies designated as TDC funds.</p> <p>The TDC shall not co-sign any loan, or provide any form of security for any loan made for the benefit of any individual or group of individuals.</p>
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## 9.0 Debts

Policy	<p>The TDC or its designate shall use debt collection agencies or the British Columbia Courts to collect debts, which are more than ninety (90) days in arrears. Prior to initiating collection action, TDC shall make reasonable efforts to re-negotiate payment of outstanding debts with the debtor.</p>
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## 10.0 Insurance

Policy	<ol style="list-style-type: none"> <li>a. Potential liabilities arising from accidents that involve TDC employees, contractors/consultants, assets, or liabilities arising from actions of TDC employees of contractors/consultants must be adequately protected by insurance.</li> <li>b. The following minimum coverage should be in place: <ol style="list-style-type: none"> <li>i. Commercial General Liability – protects against third party claims</li> <li>ii. Property Insurance – to cover all TDC assets from fire, earthquake and other perils.</li> </ol> </li> <li>c. Third party liability insurance on all vehicles will be reviewed annually by the Bookkeeper/Accountant to ensure that the third party coverage is adequate.</li> </ol>
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## 11.0 Organization of Finances

Policy	<p>Finances are to be organized so that they are clear and understandable.</p> <ol style="list-style-type: none"> <li>a. TDC operations are to be divided into Limited Partnerships (LP), namely: RV Park, Tsal'ah Hotel, Properties, Construction, Janitorial Services, Landscaping, Culture &amp; Heritage Monitoring and TDC Administration.</li> <li>b. An activity that is significant in terms of funding received and/or money spent, and that differs significantly from other types of activities or programs, should be tracked as an individual financial account with a separate budget, plans and reporting.</li> <li>c. The Bookkeeper/Accountant is responsible for preparing each LP budget monthly, quarterly and annual report, and the overall TDC budget report, or as requested by the Board.</li> <li>d. The GM is responsible for implementing each LP budget and maintaining a balanced budget.</li> <li>e. TDC contingency funds from TDC LP surpluses provide the TDC a degree of financial security, or may be used as seed funds to leverage additional funding or to make additional payments on loans or debts, as recommended by the Bookkeeper/Accountant, GM and approved by the Board.</li> </ol>
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## 12.0 Financial Planning

Policy	<p>The Bookkeeper/Accountant will maintain the approved annual budget as directed by the GM and consistent with TDC policies, based upon a five year rolling strategic plan to be renewed annually.</p>
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## 13.0 Financial Reporting

Policy	<ol style="list-style-type: none"> <li>a. Annual budget figures are to be allocated as appropriate to the twelve (12) months of the year, or as identified by GM and entered into the financial accounting system.</li> <li>b. The Bookkeeper/Accountant working collaboratively with the GM will produce a monthly financial report for the prior month, within one week of the end of the month, that summarizes the overall TDC Annual Budget, and each LP's area:             <ol style="list-style-type: none"> <li>i. The budgeted revenues and expenditures (R &amp; E) for the year-to-date;</li> <li>ii. Total R &amp; E for the year-to-date;</li> <li>iii. Variance year-to-date; and</li> <li>iv. Notes to financials as needed..</li> </ol> </li> <li>c. The Bookkeeper/Accountant is responsible for scrutinizing the monthly financial statement for over/under spending, uncollected revenues, and other anomalies.</li> <li>d. All reporting and documents used for monthly, quarterly and annual reporting will be scrutinized for errors by the Bookkeeper/Accountant before being released to the GM and TDC Board.</li> <li>e. The Bookkeeper/Accountant is also responsible for developing quarterly and annual reporting, for Board approval, that includes at a minimum:             <ol style="list-style-type: none"> <li>i. Consolidated balance sheet,</li> <li>ii. Statement of revenues and expenses, and</li> </ol> </li> </ol>
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	iii. Notes to financials.
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## 14.0 Audit and Reporting Requirements

Policy	<ul style="list-style-type: none"> <li>a. The GM is responsible for ensuring finances are audited annually by an independent auditor.</li> <li>b. The audit must be carried out in accordance with GAAP, and financial statements must be prepared in accordance with GAAP.</li> <li>c. The audit will include all transactions involving TDC finances. The GM and Bookkeeper/Accountant will provide the auditor with all required accounting records and documents supporting the financial records.</li> <li>d. The audit shall report on all TDC financial activities and shall include: <ul style="list-style-type: none"> <li>i. Consolidated balance sheet,</li> <li>ii. Statement of revenues and expenses, and</li> <li>iii. Notes to financials.</li> </ul> </li> <li>e. A management letter to the TDC Board will identify any shortcomings in the accounting procedures or systems of internal control, and any other concerns that the auditor feels should be considered.</li> <li>f. A copy of the audit must be permanently kept in the TDC Office in electronic and hard copy formats.</li> <li>g. The TDC Board will present the audited financial statements to the Shareholder and Tsal'almec at the Annual General Meeting (December).</li> <li>h. The audited financial statement will include audited schedules for expenditures.</li> </ul>
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## 15.0 Budget Adjustment & Amendment Process

Policy	<p>The TDC operating budget may be adjusted or amended in two different ways. Adjustment of the budget involves a reallocation of existing funds and does not change the budget "bottom line". Amendment of the budget involves an addition to or reduction of existing funding.</p> <ul style="list-style-type: none"> <li>a. Adjustment: Under the first method, LP expenditures and requirements are monitored throughout the year. Certain LP's may in rare circumstances develop the need for additional funding to cover unanticipated costs that cannot be covered from their existing LP revenue, while other LP's will not require their full budget authorizations. The GM reviews and analyzes all LP budgets to determine what adjustments are necessary and whether the adjustments can be made within existing annual limits. When an adjustment is needed, the GM will look first to savings within the department; and then transfers between departments. No Board action is needed as budget adjustments will be done administratively.</li> <li>b. Amendment: Amending TDC's budget occurs whenever the potential changes cause the existing Annual TDC budget to increase. TDC budget increases are strictly prohibited. Budget increases can only occur when the GM authorizes additional funding from</li> </ul>
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	strategic funding partners that has a significantly positive impact on the TDC budget, or the Board approves additional funding from other sources.
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**16.0 Financial Information Disclosure**

Policy	<ul style="list-style-type: none"> <li>a. The Shareholder has the right to access Board approved TDC financial reports.</li> <li>b. All requests for financial reports must be made to the GM providing sufficient detail to enable the GM to identify the records sought.</li> <li>c. The GM will respond openly, accurately and completely to the Shareholder`s request within 30 days. If more time is required for any reason, the GM is responsible for advising the Shareholder of when the response can be reasonably expected.</li> <li>d. If the response does not contain sufficient information to identify which financial records are being sought the GM may refer the request to the TDC Board Treasurer and/or Admin &amp; Finance Committee.</li> <li>e. If the request contains insufficient information to identify the financial reports requested or does not contain appropriate identification, the GM and/or the TDC Board Treasurer/Admin &amp; Finance Committee must advise the Shareholder in writing and identify the reason(s) for refusal.</li> <li>f. Any Tsal`almec may examine all approved financial reports of the TDC at the TDC AGM or by request at the TDC offices during regular business hours. The GM may refuse to disclose to a Tsal`almec financial information that: <ul style="list-style-type: none"> <li>i. Would reveal the deliberations of the Board or any of its committees, including any advice, recommendations, or policy considerations submitted or prepared for submission to the Board or any of its committees;</li> <li>ii. May contain legal opinions which are subject to solicitor client privilege;</li> <li>iii. Could reasonably be expected to harm the financial or economic interests of the TDC; or</li> <li>iv. Would be an unreasonable invasion of a third party's personal privacy, including personal financial information.</li> </ul> </li> </ul>
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**17.0 Purchasing and Contracts**

**17.1 Applicability**

Policy	<p>The policies in this section relate to the procurement of all equipment, supplies and services.</p> <p>The policies in this section apply to TDC and all of its LP's, regardless of where the funds originate.</p>
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**17.2 Purchasing and Expenditure Authority**

Policy	<p>a. Expenditures of TDC may be made only if the expenditures have been approved from the annual budget, approved by the GM, or TDC Board, and subject to the GM limitations outlined by the Board. If the purchase of a good or service has been approved as part of the annual budget the purchase may proceed without further approvals required. In these cases, the good/service purchase approval should be included in the cheque requisition notes to financials and financial reports, as “approved through annual LP budgets, (date)”.</p> <p>b. The GM is the only authorized persons to complete purchase orders for the TDC and with authorized photocopies prepared for their supplier and the TDC Bookkeeper/Accountant.</p> <p>c. The GM will review and purchase goods/services with the goals of:</p> <ul style="list-style-type: none"> <li>i. Achieving balanced LP budgets;</li> <li>ii. Obtaining the best possible price quotes, maximizing quality and best benefit for TDC;</li> <li>iii. Purchasing in bulk when beneficial to do so; and</li> <li>iv. Minimizing shipping costs.</li> </ul>
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### 17.3 Bids or Quotes

Policy	<p>In order to obtain the best value for TDC when purchasing or contracting, where required, a Request For Proposals (RFP) process will be undertaken within the financial standards outlined below:</p> <ul style="list-style-type: none"> <li>a. For goods and services up to \$10,000 an RFP process or formal quote is not required.</li> <li>b. For goods and services \$10,000 to \$25,000 the GM is required to ensure that there is a strict method of ensuring a balance between cost and long term quality (e.g. requesting three or more quotes).</li> <li>c. For goods and services more than \$25,000, an RFP process is required with the TDC Board participating in the review and selection process.</li> <li>d. Exceptions to this policy include purchasing: <ul style="list-style-type: none"> <li>i. Routine TDC office supplies,</li> <li>ii. Equipment, repair parts for special equipment, or</li> <li>iii. When a true emergency (life or death or severe damage to TDC assets) exists.</li> </ul> </li> <li>e. Any changes made to the designated purchasing authorities or purchasing limits must be approved by the GM and by the full TDC Board for the GM through a motion recording this decision.</li> </ul>
Procedure	<ul style="list-style-type: none"> <li>a. If the complexity, scope, or risk to TDC for goods or services is high, regardless of value, the GM may, at his/her discretion, proceed with an RFP process.</li> <li>b. The TDC reserves the right to hire outside professionals, such as engineers, to execute the tendering procedures on their behalf for services that are complex, and/or have a high degree of risk.</li> <li>c. The GM will ensure that an annual qualified suppliers list is developed of Tsal’alhmecc, St’at’imc community and/or St’at’imc majority owned businesses who will be included in the RFP process.</li> </ul>

	<p>d. RFP's will be conducted with full and open disclosure. The RFP should contain the following:</p> <ul style="list-style-type: none"> <li>i. Tender instructions</li> <li>ii. Tender and Contract form</li> <li>iii. General Conditions</li> <li>iv. Contractor Statement of Qualifications and Insurance</li> <li>v. Timing and key deadlines/statement of work plan and specifications</li> <li>vi. Key deliverables expected</li> <li>vii. Proposed evaluation criteria</li> <li>viii. Percentage of St'át'imc and/or Aboriginal ownership</li> <li>ix. Other important terms or conditions, and</li> <li>x. Contract agreement that includes general conditions and terms of payment</li> </ul> <p>e. All quotes submitted by competing vendors are opened at a public opening and a summary of all bids is completed and made available to all vendors.</p> <p>f. Copies of the bids and of each tendering process are to be kept on file.</p> <p>g. For all contracts, the lowest tender received shall normally be accepted, unless the GM and/or Board as a whole deems it to be in the best interest of TDC to accept a higher tender proposal, because it:</p> <ul style="list-style-type: none"> <li>i. Provides a better quality product or service; or</li> <li>ii. Provides economic benefits to TDC or Tsal'almec.</li> </ul> <p>The GM and/or Board must document the reasons for the decision to accept the higher tender.</p>
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## 17.4 Purchase Orders

Purchase orders are required to ensure that all purchases are authorized, accurately recorded in the TDC accounts, and that any potential liability arising on purchases is mitigated through timely payment.

Policy	<p>a. Purchasing goods or services consists of three separate functions:</p> <ul style="list-style-type: none"> <li>i. Initiating a purchase order,</li> <li>ii. Receiving goods or services, and</li> <li>iii. Payment</li> </ul> <p>b. Purchase orders (see appendices for template) will contain, at a minimum:</p> <ul style="list-style-type: none"> <li>i. Name and address of the vendor,</li> <li>ii. Description of the item or service and cost per unit,</li> <li>iii. Quantity to be purchased,</li> <li>iv. Total cost of the purchase,</li> <li>v. Expected receipt date,</li> <li>vi. General ledger code used when recording the expense, and</li> <li>vii. Initials of the purchaser, as an indication of authorization.</li> </ul> <p>c. Purchase Order forms shall be assigned sequential numbering related to the department's financial coding, as identified and tracked by the Bookkeeper/Accountant.</p> <p>d. The Bookkeeper/Accountant will provide the GM with current charts of accounts for their programs to assist with account coding purchase orders.</p> <p>e. Under no circumstances are the purchasing limits of the GM to be circumvented through the use of two (2) or more purchase orders to commit funds to purchase any one (1) item or service.</p>
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	<ul style="list-style-type: none"> <li>f. A purchase made without utilizing a purchase order is an unauthorized purchase. Unauthorized purchasing circumvents the budget financial system and approval procedures for purchases.</li> <li>g. All goods and services received will be thoroughly evaluated upon receipt, and recorded as received on the purchase order by the GM, noting the date and time received. Any variance in the order made compared to the goods/services received must be immediately addressed by the GM who is responsible for resolving the situation. If resolution is not timely or in accordance with the terms of purchase, the GM is responsible for immediately notifying the Bookkeeper/Accountant to negotiate payment.</li> <li>h. Payment for all good and services purchased in accordance with TDC policy will be made according to the supplier terms. These terms may be negotiated by the GM, and must be identified on the invoice.</li> <li>i. Cheque runs should be prepared on a regular basis, as determined by the Bookkeeper/Accountant and approved by the GM.</li> <li>j. A pre-cheque register shall be prepared by the Bookkeeper/Accountant . The pre-cheque register shall list the following information for each cheque that is to be prepared: <ul style="list-style-type: none"> <li>i. Payee,</li> <li>ii. Amount, and</li> <li>iii. Invoice numbers and invoice amounts that are being paid</li> </ul> </li> <li>k. The Bookkeeper/Accountant shall review the pre-cheque register to verify that only due invoices will be paid during the cheque run and shall initial the pre-cheque register as an indication of review.</li> <li>l. The Bookkeeper/Accountant will prepare cheques based on the pre-cheque register.</li> <li>m. The entry to record the payment in the general ledger will be a debit entry to the accounts payable account and a credit entry to the designated cash account.</li> <li>n. The printed cheque and related accounts payable coding voucher will be matched together to form a payment voucher.</li> <li>o. Prior to signing the cheques, the payment voucher shall be reviewed by no less than two (2) signing authorities.</li> <li>p. Cheque signers shall review the payment voucher to ensure that the documentation is accurate and complete.</li> <li>q. Signed cheques will be mailed on the day of signature.</li> <li>r. The cheque and one (1) copy of the cheque advice shall be forwarded to the vendor.</li> <li>s. The second copy of the cheque advice shall be attached to the completed payment voucher.</li> <li>t. The completed payment voucher will be stamped "PAID" by the Bookkeeper/Accountant and filed alphabetically by vendor name.</li> <li>u. A finalized cheque register shall be prepared by the Bookkeeper/Accountant and kept on file.</li> <li>v. When a cheque is reported lost, destroyed, or stolen, the cheque shall be canceled and a stop payment order sent to the bank. A second cheque may be issued only after the bank has received a stop payment order and confirmed that the original cheque has not cleared the bank.</li> <li>w. If a cheque contains an error, it must be marked "VOID," and the signing area must be blotted or cut out. The spoiled cheque must be retained and filed in numerical sequence with the cancelled cheques for that month when the cheques are returned from the bank.</li> <li>x. TDC cheques not presented to the bank for payment (outstanding cheques) within six (6) months of the date of issue are considered "stale dated". These payments shall be</li> </ul>
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	<p>voided and a stop payment ordered. Another cheque may be issued upon request of the payee.</p> <p>y. The Bookkeeper/Accountant will prepare adjusting entries to reverse voided, stale-dated, and spoiled cheques on a timely basis.</p>
Procedure	<p>a. A TDC suppliers list will be developed by the GM and reviewed annually to ensure the TDC has the highest quality and best costs.</p> <p>b. Requisitions must be clear, specific and detailed.</p> <p>c. Purchase orders will be rejected for the following reasons:</p> <ul style="list-style-type: none"> <li>i. Insufficient information</li> <li>ii. PO form not properly filled out</li> <li>iii. Incorrect approval</li> <li>iv. Nonconformance with existing, approved budget</li> </ul> <p>d. Processing time is two (2) working days to receive GM approvals for purchases.</p>

## 17.5 Contract Renewal

Policy	<p>a. The Gm has the discretion to renew contracts of up to \$25,000.</p> <p>b. For contracts \$25,000 and above, the renewal must be approved by the TDC Board.</p>
Procedure	<p>a. Contract renewal may be considered where all terms of a contract have been successfully met, where there is a need to continue having the contract services provided, and where there is a demonstrated benefit to having continuity in the service provider.</p>

## 17.6 Payroll Controls

The following policy is intended to ensure that all salaries, wages, and benefits are paid correctly and in a timely manner.

Policy	<p>a. The GM is responsible for ensuring a hiring form is completed for each new employee that specifies the employee's name, social insurance number, salary and salary coding (per the salary grid), and start date.</p> <p>b. Employees must complete their own timesheets accurately on a weekly or bi-weekly basis, with the GM responsible for checking the timesheet for accuracy and completeness (e.g. statutory and non-statutory leave tracking) prior to signing, approving it, and submitting it to the Bookkeeper/Accountant.</p> <p>c. The GM is responsible for finalizing employee performance reviews and ensuring the Bookkeeper/Accountant has a copy of the Financial Payroll Notification Form (see appendices).</p> <p>d. For Direct Deposit payroll payments, the Bookkeeper/Accountant must review and initial each page of the Payroll Register for EFT (Electronic Fund Transfer) payments, the manual payroll, the Payroll Register Grand Total Report showing the total of all EFT payments, and the bank reconciliation confirming EFT payments.</p>
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## 17.7 Petty Cash

Occasionally, TDC may require immediate cash on hand when the cheque disbursement process is not practical. The use of petty cash is intended only for purchasing incidental items, when cash is the only practical method of payment.

Policy	<ul style="list-style-type: none"><li>a. The GM will ensure that a petty cash fund of \$200.00 is established.</li><li>b. The Bookkeeper/Accountant will be the petty cash custodian, responsible for dispersing petty cash when needed, in exchange for an original signed and account coded receipt for the disbursement amount (see appendices for Petty Cash).</li><li>c. The petty cash box will be maintained on a balanced basis, meaning at all times, the petty cash box shall contain cash and expenditure receipts that equal \$200.00.</li><li>d. The Bookkeeper/Accountant will ensure that the petty cash funds are stored in a locked box in a locked drawer, with any additional access keys being held only the GM.</li><li>e. A general ledger entry shall be made by the Bookkeeper/Accountant to debit petty cash, and credit the main cash account.</li><li>f. When petty cash runs low, the Bookkeeper/Accountant will complete a purchase order with the petty cash receipts attached for the amount to be replenished, and approved by the GM.</li><li>g. This purchase order will be coded by the Bookkeeper/Accountant with the appropriate general ledger expense account codes, and recorded as debits to the expense codes and a credit to cash.</li><li>h. The GM will verify the amount of the petty cash fund regularly with surprise checks.</li></ul>
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