

PATHWAYS ABILITIES SOCIETY

POLICY: BUDGETING, DISBURSEMENTS, PAYABLES AND RECEIVABLES

Applies to: Executive Director, Administration and Board of Directors

Original Approval Date: January 27, 2003

Date Board Approved: January 27, 2014

Replaces Policy Dated: November 21, 2012

Board Member's Signature

POLICY

The executive director, finance manager and secretary treasurer develop a financial budget prior to the commencement of each fiscal year end. The budget is reviewed and approved by the board of directors and used to monitor and evaluate the financial progress of the society throughout the fiscal year.

The board of directors receives financial statements for the earlier month's activities with a finance report explaining significant variances at each regularly held board meeting for their review and approval. Actions are recommended when the year-to-date surplus or deficit exceeds the budgeted amount and forecasting is unable to account for the difference. The board of directors approves all budget changes.

New service budgets or fee for service support is completed as outlined in the Contract policy. Services will not budget for a deficit unless pre-approval has been received from the board of directors.

Designated funds will only be used for their specified purpose. Excess designated funds will be managed in accordance with contractual requirements and/or as specified in the Donations and Fundraising policy.

Asset acquisitions over ten thousand dollars (\$10,000.00) must be reviewed at a face-to-face board meeting if the purchase or acquisition must be made prior to the next scheduled meeting.

The finance manager ensures there are up to date and detailed records of all agency receipts and expenditures.

The finance manager ensures accounts payable is managed in accordance with the specified due date. Each expenditure provides a clear audit trail, with all cheques or bank transactions cross-referenced to the appropriate invoice, purchase order or source document. The cheque stub with the date of payment is attached to each invoice when paid. The invoice is filed in the appropriate vendor, month or object file.

The finance manager ensures accounts receivable is managed in accordance with the specified due date. Statements are issued for accounts overdue. All monies received shall be kept in the safe and deposited weekly unless the amount on hand exceeds one thousand dollars (\$1,000). Balances in excess of \$1,000 are deposited at the end of that working day.

Upon prepayment of services, finance staff provides the person or funding body with a written statement outlining the terms, conditions and process under which a refund will be issued.

The society's finances are audited annually. Recommendations are addressed in a timely fashion.