



FINANCIAL POLICIES

Reviewed by Admin Services Committee of the Board December 12, 2023

TABLE OF CONTENTS

	Page
Financial Planning	
Policy 1.1	Data Collection and Reporting 3
Policy 1.2	Planning and Budget Submission Package 3
Policy 1.3	Approval of Planning and Budget Submission 4
Policy 1.4	Accounting Treatment of Assets 4
Policy 1.5	Financial Representation 5
Financial Management	
Policy 2.1	Society Reporting System 5
Policy 2.2	Accounting Records 6
Policy 2.3	Internal Control Over Payroll System 6
Policy 2.4	Financial Review Process 6
Financial Accountability	
Policy 3.1	Budget Approval and Monitoring 7
Policy 3.2	Investment of Funds 7
Policy 3.3	Borrowing and Banking Authority 8
Policy 3.4	Signing Authority 9
Policy 3.5	Annual Audit 9
Policy 3.6	Statutory Reporting Requirements 10
Policy 3.7	Management of Registered Educational Savings Plans 10
Policy 3.8	Management of Ontario Child Tax Benefit 11
Policy 3.9	Approval Authority 12
Procurement	
Policy 4.1	Supply Chain Code of Ethics 13
Contractual Relations and Purchased Services	
Policy 4.2	Purchase of Goods and Services 13
Policy 4.2a	Procurement Threshold Values 15
Policy 4.2b	Non-Competitive Process 16
Policy 4.2c	Contract Management 17
Policy 4.2d	Conflict of Interest 18
Policy 4.2e	Purchasing Cards 18
Policy 4.3	Non-Retainable Revenue 19
Society/Staff Expense Claims	
Policy 4.4	General Reimbursement Guidelines 19
Policy 4.4a	Travel 23
Policy 4.4b	Meals and Accommodations 24
Hospitality	
Policy 4.5	General Hospitality Guidelines 25
Policy 4.5a	Purchase/Provision of Beverages & Food for Internal Meetings & Events 26
Policy 4.5b	Employee Recognition 27
Policy 4.5c	Foster Parent Recognition 29
Policy 4.5d	Volunteer Recognition 29
Perquisites	
Policy 4.6	Guidelines for Perquisites 30
Society/Executive and Board Expense Claims	
Policy 4.7	Executive and Board Travel 31
Liability and Insurance	
Policy 5.1	Risk Level 33
Policy 5.2	Liability Coverage 33
Policy 5.3	Segregation of Duties 33

Ministry of Children, Community and Social Services (MCCSS) (the “Ministry”)

FINANCIAL SERVICES

The Children's Aid Society of the United Counties of Stormont, Dundas and Glengarry is a publicly funded service entity, which is responsible for the delivery of a critical human service. As such, the society must be accountable for the effective and efficient stewardship of the public funds entrusted to it.

POLICY 1.1

POLICY TYPE: FINANCIAL PLANNING

POLICY TITLE: DATA COLLECTION AND REPORTING

The Society will collect information about its services and service providers based upon definitions provided by MCCSS, and utilize the data collected for planning and budgeting purposes on an ongoing basis.

The data is analyzed to determine any changes in service demand and expenditures, to develop projections and to compare Budget/Forecasts to actual costs. Summary reports are submitted, as required, to the Board of Directors of the Society, the Provincial Ministry and the Ontario Association of Children's Aid Societies.

Revised: December 2023

POLICY 1.2

POLICY TYPE: FINANCIAL PLANNING

POLICY TITLE: PLANNING AND BUDGET SUBMISSION PACKAGE

The Executive Director and the Director of Finance will develop annually an expenditure forecast, which sets out anticipated revenues and expenditures within a context provided by the annual operational Strategic Action plan.

The Society's budget development process complies with Ministry requirements and is characterized by:

1) A plan which

- states its service objectives.
- reflects the Society's legislated mandate, mission statement, guiding principles and Strategic Framework
- states its expectations about monitoring and, if required, improving program effectiveness, program costs and cost effectiveness
- reflects input from the Senior Management team and appropriate committee(s) of the board.
- reflects a systematic review of past performance and changing service and funding circumstances.
- annual capital expenditure requirements for the year

2) Budget development based on

- the Society's service plan objectives
- realistic estimates of operating costs and anticipated revenue
- cost analysis of programs
- input into financial forecasting from the Senior Management team and appropriate committee(s) of the board
- identification of deficiencies in resources needed to meet service planning objectives and development of a work plan which recommends both short term (fiscal) and long-term strategies for dealing with resource deficiencies.
- MCCYS directives
- capital expenditure requirements as outlined in a separate document.

Revised: December 2023

POLICY 1.3**POLICY TYPE:** FINANCIAL PLANNING**POLICY TITLE:** APPROVAL OF PLANNING AND BUDGET SUBMISSION

Budgets are approved by the board of directors and submitted to MCCSS and/or other funders by the required date, except when other timelines are agreed upon by the board and relevant funding bodies.

Revised: December 2023

POLICY 1.4**POLICY TYPE:** FINANCIAL PLANNING**POLICY TITLE:** ACCOUNTING TREATMENT OF ASSETS

The Society will identify the capital assets to be acquired or replaced during the year, and the funding sources for these acquisitions. External professional expertise will be utilized as necessary.

- a. Assets will be accounted for according to General Accepted Accounting Principles, Canada Revenue Agency, Broader Public Sector Directives and the Ministry of Children and Youth Services guidelines.
- b. Assets with a value over \$10,000 and that provide benefit to the Agency exceeding one fiscal year should be capitalized for accounting purposes.
- c. Costs associated with the preparation and set up of a capital asset will be considered part of the initial cost of the asset.
- d. Amortization rates will be maintained on all classes of assets for expense and audit purposes.
- e. Capital assets will be acquired by competitive process in accordance with the Ontario Government Broader Public Sector Directives.

Fixed Assets are tangible property with a single unit value equal to or greater than \$10,000 which is used in a productive capacity and benefits the CAS SDG for a period of more than one year. Acquisition costs include the full cost of the purchase plus expenditures related directly to their acquisition (freight charges, handling fees, installation charges, and sales tax).

Leasehold Improvements are improvements, betterments, or modifications of leased property which will benefit the CASSDG for the period of more than one year. Acquisition cost includes the full cost of the purchase plus expenditures related directly to their acquisition, (i.e., freight, handling fees, installation charges, sales tax, etc.)

Revised: December 2023

POLICY 1.5

POLICY TYPE: FINANCIAL PLANNING

POLICY TITLE: FINANCIAL REPRESENTATION

The Society policies require financial involvement and/or consultation with the Director of Finance when:

- the Society enters into discussions or negotiations with the staff union.
- existing programs, program development proposals or new program proposals are being reviewed.
- goods and services over \$5,000 are purchased.
- when fund raising initiatives are undertaken.
- employees are hired (permanent and contractual).
- Transactions that involve significant financial obligation for the Society are conducted.

Revised: December 2023

POLICY 2.1

POLICY TYPE: FINANCIAL MANAGEMENT

POLICY TITLE: SOCIETY REPORTING SYSTEM

The Society maintains a Reporting System that integrates the following:

- Financial Management Information System.
- Human Resource Information System.
- Child Welfare Information System.
- internal recording information.
- internal review and audit systems.

- quality control and improvement systems.
- External review systems (Quarterly Ministry Audits, Annual Audit).

The Society Reporting Systems brings together information from these components on a timely basis and provides an integrated analysis of the services provided and the resources utilized. Service delivery trends and significant changes in financial position are highlighted and reported to the Board as part of the Annual Operational Plan and the monthly progress reports on the implementation of the Plan through committees of the Board.

Revised: December 2023

POLICY 2.2

POLICY TYPE: FINANCIAL MANAGEMENT

POLICY TITLE: ACCOUNTING RECORDS

The Society's accounting records are kept up-to-date and are balanced monthly. This includes:

- up to date posting of receipts and disbursements (accrual basis).
- a monthly review of the general ledger and approved by Director of Finance.
- a reconciliation of the bank statement to the general ledger on at least a monthly basis; this reconciliation to be reviewed and approved by Director of Finance or designate who is not directly involved in maintaining the accounting records.

Revised: December 2023

POLICY 2.3

POLICY TYPE: FINANCIAL MANAGEMENT

POLICY TITLE: INTERNAL CONTROL OVER PAYROLL SYSTEM

The Society,-Finance and Human Resources Department will maintain appropriate internal controls for the payroll system, in compliance with all legal requirements and appropriate accounting requirements.

The Society maintains proper internal controls over the payroll system by:

- the need for written authorization from the Director of Finance or Human Resources Director or designate regarding changes in rates of pay (other than regular annual increments) and deductions, new hires and terminations.
- having the Director of Finance (or designate) and Human Resources Director (or designate) review and approve payroll expenditures and time and attendance records; and
- A monthly reconciliation of the payroll register to the general ledger.

Revised: December 2023

POLICY 2.4

POLICY TYPE: FINANCIAL MANAGEMENT

Approved by Board of Directors December 12, 2023

POLICY TITLE: FINANCIAL REVIEW PROCESS

The Society has a financial review process in place which:

- provides financial statements as required to the Executive Director and the Board of Directors
- shows the relationship of the budget to actual expenditures and the relationship of the ministry approved budget to actual expenditures.
- explains variances.
- analyzes unit costs where required by a funding source (Children in Care, Investigations completed)
- separates non-mandated services from mandated services in reporting.

Revised: December 2023

POLICY 3.1**POLICY TYPE: FINANCIAL ACCOUNTABILITY****POLICY TITLE: BUDGET APPROVAL AND MONITORING**

The annual budget is prepared by the Director of Finance after input from the Senior Management team. The Board of Directors approves the annual operating and capital budgets.

The Board of Directors receives, and reviews detailed financial reports at least once a quarter. On a regular basis, the Board of Directors receives and reviews a variance report that details when actual results are significantly different than the budget.

The Board of Directors reviews and approves all major revisions to the forecasted projections.

Revised: December 2023

POLICY 3.2**POLICY TYPE: FINANCIAL ACCOUNTABILITY****POLICY TITLE: INVESTMENT OF FUNDS**

When there is excess cash on hand (funds that are not required for current operations and where no restrictions apply), it should be invested to generate the highest possible return within two strict constraints: very low risk of loss, and subject to being convertible back into cash when the funds are required.

Board approval is required for funds that are to be invested for a period of more than one year without renewal.

An investment report shall be provided annually to the Board of Directors.

Revised: December 2023

POLICY 3.3**POLICY TYPE:** FINANCIAL ACCOUNTABILITY**POLICY TITLE:** **BORROWING AND BANKING AUTHORITY**POLICY:**Banking Arrangements**

The banking business of the Society, or any part thereof, shall be transacted with such banks, trust companies or other financial institutions as the Board may, by resolution, from time to time determine.

Subject to the limitations set out in the Corporations Act, and the Letters Patent of the Society the Board may:

- a) borrow money on the credit of the Society.
- b) issue, sell or pledge securities of the Society; or
- c) charge, mortgage, hypothecate or pledge all or any of the real or personal property of the Society, including book debts, rights, powers, franchise and undertakings, to secure any securities or any money borrowed, or other debt, or any other obligation or liability of the Society.

From time to time, the Board may authorize the Executive Director of the Director of Finance of the Society to make arrangements with reference to money borrowed or to be borrowed as to the terms and conditions of the loan thereof, and as to the security to be given therefore, with power to vary or modify such arrangements, terms and conditions and to give such additional security as the Board may authorize, and generally to manage, transact and settle the borrowing of money by the Society.

Borrowing

Short Term – As part of the annual budget approval process, the Board of Directors shall approve the limit of its line of credit, to enable borrowing of funds within the fiscal year, to cover cash shortfalls when Society expenditures exceed the funds forwarded by the Ministry.

The Board must be notified when the line of credit is used in a report on outstanding amounts as part of its regular financial reporting to the Administrative Services Committee. Authorization to go above the limit requires a board approval.

Long Term – As part of the annual budget approval process, the Board of Directors shall authorize any long-term borrowing which extends beyond a fiscal year prior to seeking the lender of the funds.

As part of its regular financial reporting to the Administrative Services Committee, management will report on the status of long-term borrowing activities.

Revised: December 2023

POLICY 3.4**POLICY TYPE:** FINANCIAL ACCOUNTABILITY**POLICY TITLE:** SIGNING AUTHORITY

The following positions have the authority to sign cheques and commit Society funds:

- Chair of the Board of Directors.
- Secretary/Treasurer of the Board of Directors.
- Executive Director; and
- Director of Finance; and

Two signatures are required for cheques, leases and similar financial commitments.

Revised: December 2023

POLICY 3.5**POLICY TYPE:** FINANCIAL ACCOUNTABILITY**POLICY TITLE:** ANNUAL AUDIT

The Board of Directors delegates the responsibility of establishing audit requirements, receiving and reviewing the Auditor's report to the Administrative Services Committee of the Board. A licensed public accountant will audit the Society's financial operations on an annual basis. The auditor is to be appointed at the Society's Annual Meeting. The Auditor must be aware of and consider Ministry financial policy directives when carrying out the audit. The Board takes full responsibility for overseeing the annual audit through the Admin Services Committee of the Board.

After the audited financial statements are approved at the annual meeting, they are to be made available to the public.

As required, or at least every five (5) years, the Audit committee will oversee the process of tendering for the auditing services of the Society.

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POLICY 3.6**POLICY TYPE:** FINANCIAL ACCOUNTABILITY**POLICY TITLE:** STATUTORY REPORTING REQUIREMENTS

The Society will fulfill all statutory reporting requirements such as:

- The Not-for-Profit Corporations Act.
- The Registered Charities Act.
- The Employer Health Tax Act.
- The Ontario Municipal Employees Retirement System (OMERS) Act.
- Canada Revenue Agency
- and others that may apply,

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POLICY 3.7**POLICY TYPE:** FINANCIAL ACCOUNTABILITY**POLICY TITLE:** MANAGEMENT OF REGISTERED EDUCATIONAL SAVINGS PLANS

MCCSS POLICY DIRECTIVE: CW 004-18 Registered Education Savings Plans (RESPs)

The objective of this policy directive is to promote increased educational attainment for eligible children and youth, as defined in this directive.

This policy directive, under s. 42(1) of the [Child, Youth and Family Services Act](#) (CYFSA), requires children's aid societies, including Indigenous societies (societies) to use funds equivalent to the June 2016 federal Universal Child Care Benefit (UCCB) [footnote 111](#) payment to establish RESPs for eligible children and youth. The June 2016 federal UCCB amounts are as follows:

- \$160 per month for eligible children in care who are under the age of six.
 - \$60 per month for eligible children and youth in care aged six through 17.
1. Eligibility for the RESP program is as follows:
 - A. Societies shall establish RESPs for children and youth under the age of 18 for whom they are receiving, or have received, the Children's Special Allowance (CSA) and who are:
 - in extended society care
 - in interim society care who have been in interim society care for at least twelve consecutive months
 - children subject to customary care agreements who have been in customary care for at least twelve consecutive months.
 - B. Youth in a VYSA, for whom the society is receiving the CSA, are also eligible for the RESP program. At the time of entering a VYSA, the youth will be informed of both

the availability of the RESP program, and of an alternative option to have the society establish a personal savings account (savings account) on behalf of the youth.

Contributions received for a child/youth who does not meet the eligibility requirements are distributed amongst existing active plans to maximize the benefit of matching contributions to these plans.

When a child/youth leaves care, the Society will endeavor to transfer the existing RESP to the caregiver of the given child/youth once they have set up an RESP in their name. After a period of 12 months the society will collapse any RESPs not transferred and distribute amongst existing active plans to maximize the benefit of matching contributions to these plans

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POLICY 3.8

POLICY TYPE: FINANCIAL ACCOUNTABILITY

POLICY TITLE: MANAGEMENT OF ONTARIO CHILD TAX BENEFIT

MCCSS POLICY DIRECTIVE: CW 002-18 Ontario Child Benefit equivalent (OCBe) Pooled Fund

The objective of this policy is to provide all children and youth in care and in formal customary care, ages 0-17, with access to recreational, educational, cultural and social opportunities that support their achievement of higher educational outcomes, higher degree of resiliency, social skills and relationship development and a smoother transition to adulthood through implementation of the Ontario Child Benefit equivalent (OCBe) funding (Activities Program). This directive also expands OCBE eligibility to youth in a VYSA for whom the society is in receipt of the CSA.

In addition to the Activities Program, youth in care or formal Customary Care, ages 15 to 17, and youth in a VYSA for whom the society is in receipt of the CSA, will also participate in a program to save OCBE funds (equivalent to the monthly allowance received), thereby building their financial assets to better prepare them to transition from care ("Savings Program"). CASs and youth will work together to develop a plan concerning how these funds will be used to support their transition from care (e.g., education, housing, etc.).

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POLICY 3.9**POLICY TYPE: FINANCIAL ACCOUNTABILITY****POLICY TITLE: APPROVAL AUTHORITY**

Procurement Value (excluding taxes)	Approval Authority	Authorized to sign Contract
Up to \$50	Frontline Staff (within their area of responsibility)	Executive Director, Director of Finance or HR Director
Up to \$1,000	HR Specialist/Generalist (within their area of responsibility) <ul style="list-style-type: none"> • committee expenses • employee benefits (per person) 	Executive Director, Director of Finance or HR Director
Up to \$2,000	Supervisors (within their area of responsibility) <ul style="list-style-type: none"> • mileage claims (destinations are to be approved by supervisor) 	Executive Director, Director of Finance, Director of Service
Up to \$3,000	<ul style="list-style-type: none"> • Finance Coordinator (for purchases that are outside of service-related issues/technology or property) • Facilities Manager • Admin Assistant (for purchases that are outside of service-related issues/technology or property) • Executive Assistant (for purchases that are outside of service-related issues/technology or property) (within their area of responsibility)	Executive Director, Director of Finance, Director of Service
Up to \$5,000	IT Manager (within their area of responsibility)	Executive Director, Director of Finance, Director of Service
Up to \$7,000	Senior Director team except boarding which is set by contract	Executive Director, Director of Finance, Director of Service
Up to \$50,000	Director of Finance	Executive Director, Director of Finance
Up to \$100,000	Executive Director (also includes senior management expenses)	Executive Director and Director of Finance
Greater than \$100,000	Board of Directors (also includes Executive Director expenses)	Executive Director and Director of Finance

From time to time, it may be necessary to issue temporary credit cards to staff members for specific projects. These projects would be time limited, and all expenditures would require authorization by a supervisor, director or Executive Director.

Under emergency circumstances, the Executive Director has the authority to take the necessary steps to address the emergency and will subsequently inform the Board of Directors of the actions taken setting out the details of any purchases made pursuant to this authority and the circumstances justifying the action taken.

Procurement orders cannot be split to circumvent the threshold values.

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POLICY 4.1**POLICY TYPE:** PROCUREMENT**POLICY TITLE:** SUPPLY CHAIN CODE OF ETHICS

Goal: To ensure the Society follows an ethical, professional and accountable Broader Public Sector supply chain.

I. Personal Integrity and Professionalism

The Society will act, and be seen to act, with integrity and professionalism. Honesty, care and due diligence will be integral to all supply chain activities within and between the Society, suppliers and other stakeholders. Respect will be demonstrated for each other and for the environment. Confidential information will be safeguarded. Participants must not engage in any activity that may create, or appear to create, a conflict of interest, such as accepting gifts or favours, providing preferential treatment, or publicly endorsing suppliers or products.

II. Accountability and Transparency

Supply Chain Activities will be open and accountable. In particular, contracting and purchasing activities will be fair, transparent and conducted with a view to obtaining the best value for public money. The Society will ensure that public sector resources are used in a responsible, efficient and effective manner.

III. Compliance and Continuous Improvement

The Society will comply with this Code of Ethics and the laws of Canada and Ontario. Individuals should continuously work to improve supply chain policies and procedures, to improve their supply chain knowledge and skill levels, and to share leading practices.

Revised: December 2023

POLICY 4.2**POLICY TYPE:** CONTRACTUAL RELATIONSHIPS & PURCHASED SERVICES**POLICY TITLE:** PURCHASE OF GOODS AND SERVICES**Purpose:**

To ensure that publicly funded goods and services, including construction, consulting services, and information technology are acquired through a process that is open, fair, and transparent.

To specify the responsibilities of individuals that carry-out procurement functions on behalf of the Society.

Principles:

This policy is based on the five key principles that allow the Society to achieve value for money while following a procurement process that is fair and transparent to all stakeholders:

• Accountability

The Society will be accountable for the results of their procurement decisions and the appropriateness of the processes.

- **Transparency**

The Society will be transparent to all stakeholders. Wherever possible, stakeholders will have equal access to information on procurement opportunities, processes and results.

- **Value for Money**

The Society will maximize the value they receive from the use of public funds. A value-for-money approach aims to deliver goods and services at the optimum total lifecycle cost.

- **Quality Service Delivery**

Front-line services provided by The Society, will receive the right service, at the right time, in the right place.

- **Process Standardization**

Standardized processes remove inefficiencies and create a level playing field.

Application and Scope:

The principles and requirements of this Policy apply to all Society acquisitions other than those specifically excluded within this Policy.

(Mandatory Requirements for Broader Public Sector Procurement as per Directive) are outlined in the procedures.

Revised: December 2023

POLICY 4.2 a

POLICY TYPE: CONTRACTUAL RELATIONSHIPS & PURCHASED SERVICES

POLICY TITLE: PROCUREMENT THRESHOLD VALUES

Goods, Non-Consulting Services and Construction		
Total Procurement Value	Means of Procurement	Recommended/Required
\$0 up to but not including \$10,000	Petty Cash, Purchasing Card, Requisition or Invoice	Recommended
\$10,000 up to but not including \$121,200	Invitational competitive procurement (minimum of three suppliers are invited to submit a bid) or competitive process	Recommended
\$121,200 or more	Open competitive process	Required
Consulting Services		
Total Procurement Value	Means of Procurement	Recommended/Required
\$0 up to but not including \$121,200	Invitational or open competitive process	Required
\$121,200 or more	Open competitive process	Required

Acquisitions:

The Society's practice is to use \$5,000 as the first limit in the procurement threshold. However, if the vendor is not at arms-length from anyone working for the society or a board member, 2 quotes are required.

Total acquisition costs should be considered including start-up, conversion, or switching costs, as well as service availability and support, rather than only the lowest priced factor.

The procurement of regular office supplies and technology requirements are centralized through Administration.

The Executive Director or the Finance Director will ensure relevant specifications, budget authorization, approval authority and terms and conditions for the purchase of goods or services.

Revised: December 2023

POLICY 4.2 b

POLICY TYPE: CONTRACTUAL RELATIONSHIPS & PURCHASED SERVICES

POLICY TITLE: NON-COMPETITIVE PROCESS

The Society should employ a competitive procurement process to achieve optimum value for money. It is recognized, however, that special circumstances may require the Society to use non-competitive procurement.

The requirement for competitive bid solicitation for goods, services and construction may be waived by the Executive Director (or authorized designate), or Director of Finance (or Board of Directors > \$100,000) under the following circumstances:

- where competition is precluded due to the application of any Act or legislation or because of the existence of patent rights, copyrights, technical secrets or controls of raw material.
- where due to unusual market condition, the goods, services or construction required are in short supply.
- where only one source of supply would be acceptable and cost effective.
- where goods and/or services are an addition to existing goods or services, compatibility.
- where the goods, services or construction can only be supplied by a particular supplier and no alternative exists.
- where, due to security or confidentiality issues, it would not be in the public interest to solicit competitive bids; or
- in the event of an emergency, as defined below
- where the Society uses vendor of record arrangements that have been sourced by the Ontario Government and have been made accessible to the Society, vendor of record arrangements that have been sourced through a consortium of organizations and have been made accessible to the Society, and a competitive procurement process based on established thresholds values. This also refers to the Ministry Shared Services Program.

Procurement in Emergencies

- An emergency includes a situation presenting imminent or actual danger to the life, health or safety of employees or others acting on the Society's behalf or imminent or actual danger of damage to or destruction of property belonging to the Society.
- Where, in the opinion of two senior Directors, an emergency has occurred, the Society may

initiate a purchase order more than the preauthorized expenditure limit. The justification for the exception is to be fully documented and included in the appropriate files.

Specific goods, services and consulting services that are exempt (but not limited to) from this Policy are as follows:

- boarding expenditures made with approved suppliers.
- allowances paid to foster parents and Kinship Service Homes.
- allowances paid to youth on independent living and continued care and services for youth.
- licensed professional services.
- training and education.
- refundable employee expenses.
- utilities; and
- court-ordered assessments

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POLICY 4.2 c

POLICY TYPE: CONTRACTUAL RELATIONSHIPS & PURCHASED SERVICES

POLICY TITLE: CONTRACT MANAGEMENT

Procurements and the resulting contracts will be managed responsibly and effectively.

Payments will be made in accordance with the provisions of the contract. All invoices will contain detailed information sufficient to warrant payment. Any overpayments will be recovered in a timely manner.

Assignments will be properly documented. Supplier performance will be managed and documented, and any performance issues will be addressed.

To manage disputes with suppliers throughout the life of the contract, The Society will include a dispute resolution process in the contracts.

For services, the Society will:

- Establish clear terms of reference for the assignment. The terms will include objectives, background, scope, constraints, staff responsibilities, tangible deliverables, timing, progress reporting, approval requirements, and knowledge transfer requirements.
- Establish expense claim and reimbursement rules compliant with the Broader Public Sector Expenses Directive and ensure all expenses are claimed and reimbursed in accordance with these rules.
- Ensure that expenses are claimed and reimbursed only where the contract explicitly provides for reimbursement of expenses.

The Society will not discriminate or exercise preferential treatment in awarding a contract to a supplier because of a competitive procurement process.

(Procurement Process for Broader Public Sector Procurement as per Directive)

Revised: December 2023

POLICY 4.2 d

POLICY TYPE: CONTRACTUAL RELATIONSHIPS & PURCHASED SERVICES

POLICY TITLE: CONFLICT OF INTEREST

The Society must monitor any conflict of interest that may arise because of the members of the organization, advisors', external consultants', or suppliers' involvement with the supply chain activities. Individuals involved with the supply chain activities must declare actual or potential conflicts of interest. Where a conflict of interest arises, it must be evaluated, and an appropriate mitigating action must be taken.

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POLICY 4.2 e

POLICY TYPE: CONTRACTUAL RELATIONSHIPS & PURCHASED SERVICES

POLICY TITLE: PURCHASING CARDS

Credit Card:

Society credit cards are to be utilized by authorized staff to provide an efficient, cost-effective method of purchase and payment for small dollar transactions.

All purchases are to be made within the cardholder's spending limits and will follow Society policies and procedures, and Ministry directives, as per the Credit Card Policy.

Credit cards can be used for:

- travel (all travel expenditure guidelines must be adhered to in reference to the Hospitality and Travel Policy, Signing and Spending Authority Policy, and the Credit Card Policy)
- birth registration
- Society purchases with vendors where a purchasing order agreement has not been issued.

Card holders must read the cardholder policies and procedures manual. It is the responsibility of the cardholder to protect the card from fraud or misuse. If the card has been lost or stolen the accounting department must be notified within twenty-four (24) hours.

The credit card statement is to be reconciled by the Finance Department. Cardholders are responsible for submitting, with the original receipts, to the Finance Department each month.

The Supervisor will approve the payment of the credit card bill. In the case of the Executive Director, credit card payments are approved by the Board Chair or designated Board member.

Any non-agency business, suspicious or unusual charges should be reported to the finance department immediately, otherwise the holder may be responsible for unauthorized charges.

When ordering online using a card, cardholders should ensure that the website they are using is secure. A small padlock in the bottom right corner of the site indicates a secure site.

Cards are not intended for personal use.

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POLICY 4.3

POLICY TYPE: CONTRACTUAL RELATIONSHIPS & PURCHASED SERVICES

POLICY TITLE: NON-RETAINABLE REVENUE

The Society will retain monies received by other government agencies according to the ministry's definition of non-retainable revenue (Family Benefits, Child Special Allowance, etc.).

However, it is the position of the Society that revenues received on behalf of a child for Survivors Benefits will be held in trust for the child until the child is released from care.

Revised: December 2023

POLICY 4.4

POLICY TYPE: SOCIETY/STAFF EXPENSE CLAIMS

POLICY TITLE: GENERAL REIMBURSEMENT GUIDELINES

The CAS is transparent to all stakeholders. The rules for incurring and reimbursing travel, meal and hospitality expenses are clear, easily understood, and available to the public.

Purpose, Application and Scope

The purpose of this policy is to meet the requirements set out in the Broader Public Sector Expenses Directive as issued by the Ontario Management Board of Cabinet for establishing expense rules where expenses are reimbursed from public funds. The expense rules in this policy apply to any person in the Society making an expense claim, including the following:

- Board members.
- Employees, resources parents, volunteers; and
- Consultants and contractors engaged by the Society, providing consulting or other services.

The Children's Aid Society of SDG will reimburse for all reasonable travel and miscellaneous expenses they incur in the course of their work on behalf of the Society. This policy does not prevail over a collective agreement between the Society and bargaining agents representing employees of the Society.

Non-Reimbursable Expenses

Expenses of a personal nature will not be reimbursed. Such expenses include but are not limited to:

- Recreational purposes, except when incurred in connection with providing necessary services to clients.
- Personal items
- Traffic/parking violations, except for parking fines incurred while working due to health and safety reasons and which cannot be pre-approved since they are not planned.
- Alcoholic drinks, unless part of hospitality within the meaning of this procedure
- Expenses incurred on behalf of friends/family.

Receipts

Original receipts (not photocopies, pictures are preferable if they are legible) must be submitted with all expense claims. Credit card slips by themselves are not sufficient to support a claim for reimbursement.

In the event of missing receipts, an exception to this directive may be made at the individual discretion of the Service Director and only with appropriate documentation from the claimant that receipt has been misplaced.

Original receipts plus credit card slips, if applicable, obtained via the use of Society credit cards must in all cases be submitted to finance monthly for reconciliation to the credit card statement.

Verification

It is the responsibility of all directors and supervisors to understand the reimbursement policies and procedures; that they are accountable to ensure expense reports comply with policy and the correct procedure is followed prior to submission to Finance. This should include reviewing mileage claims for distance (reasonableness), destination, and business purpose.

Expense approval limits are as defined in the Society's designated signing authority procedure.

Exceptions

Decisions whether to approve exceptional reimbursement must be reviewed on a case-by-case basis. They must be approved by an employee's Service Director or the Executive Director.

Where a Service Director or the Executive Director decides to exercise discretion in making an exception and to ensure a proper record for audit purposes, the rationale for the exception must be documented and accompany the expense claim.

Accountability Framework:

The CAS is accountable for public funds used to reimburse travel, meal and hospitality expenses. All expenses support business objectives. These policies have been approved by the board of directors. All Staff have been given a copy of the policy and it has been posted on the internal website.

Alcohol:

Alcohol cannot be claimed and will not be reimbursed as part of a travel or meal expense. There may be exceptions as they relate to hospitality.

Documentation:

The Society will keep all expense claims for a period of six (6) years.

Consultants and Other Contractors:

The expense rules provide direction on the circumstances in which a consultant or contractor can claim and be reimbursed for expenses. The rules set out what is an allowable expense.

In no circumstances can hospitality, incidental or food expenses be considered allowable expenses for consultants and contractors under the policy or in any contract between the CAS and a consultant or contractor.

Reimbursement for allowable expenses can be claimed and reimbursed only when the contract specifically provides for it.

Individuals Making Claims (Claimants):

In arranging travel, all claimants must:

- Consider alternatives to travel such as teleconferencing and videoconferencing and obtain approvals from appropriate authorities for travel.
- Use service providers designated by the Society where appropriate.
- Request and accept lowest common carrier fare.
- Use the corporate charge card to prepay hotel accommodations where possible.
- Supply an itinerary to and notify their manager of any changes so that travelers may be contacted in an emergency; and
- Cancel hotel bookings to avoid no-show charges.

In making claims, including travel claims, all claimants must:

- Obtain all appropriate approvals before incurring expenses.
- Submit original, itemized receipts with all claims.
- Provide descriptions for all expenses claimed.
- Provide explanations for unusual expenses.
- If the information above is not available or is not possible, submit a written explanation with the claim to provide the approver with adequate information for decision-making.
- ***Submit claims on a timely basis - expenses filed later than two months post incurrence will no longer be the Society's responsibility, as per Ministry guidelines - exceptions will only be at the discretion of a Service Director or the Executive Director.***
- Repay any overpayments – it is considered a debt owing to the Society; and
- If leaving employment with the Society, submit any claims for expenses before leaving the Society.

Individuals Approving Claims (Approvers):

In arranging travel, all approvers must:

- Determine and authorize when business travel is necessary.
- Ensure that travel arrangements are consistent with this policy; and
- Consult with the employee to ensure travel arrangements accommodate both their needs and interests and the Society's travel policies.

In approving claims, including travel claims, all approvers must:

- Not approve their own expenses but rather have their immediate supervisor approve the claim.
- Ensure that expenses for a group can only be claimed by the most senior person present at the same event.
- Provide approval only for expenses that are necessarily incurred in the performance of the Society business and are consistent with this policy.
- Provide approval only for claims that include all appropriate documentation, including appropriate receipts to support expense claims.
- Ensure that unusual items are appropriately explained, or proof is given of prior approval; and
- Ensure that all workers and claimants are aware of conflict-of-interest guidelines.

Approval limits are detailed as follows:

- See FIN 3.9

Recovery of Expenditures:

Staff are not authorized to enter into an arrangement with clients to purchase goods or services on the client's behalf and recover the amount from the client.

Compassionate Expenditures:

Within the limits of reasonable and available funding, the Society will acknowledge significant events in the lives of its personnel (staff, board, foster parents, and volunteers) by way of flowers or donations. Based on an approved request, a donation or flowers to a maximum of \$50 may be provided. These instances are limited to the deaths of immediate family members or serious injuries or illnesses.

Method of repayment: cash or deduction from payroll

Revised: December 2023

POLICY 4.4 a

POLICY TYPE: SOCIETY/STAFF EXPENSE CLAIMS

POLICY TITLE: TRAVEL

The Society recognizes that many employees travel while carrying out their work duties. A combination of rental cars, public transportation, personal vehicles and air should be used to meet the business needs of the Society. The most cost effective, operationally efficient and safe method of manner of travel

should be chosen unless the supervisor grants an exception. Where several employees are attending the same function, shared travel should be considered.

Normal travel related to a direct service or other Society business and within Ontario does not require prior approval – such claims are approval after incurrence at rates outlined in the collective agreement. Normal Society expense guidelines will govern reimbursement claims. Prior approval from the employee's supervisor must be obtained when travelling within Ontario unless travel forms part of the employee's routine duties (i.e. Directors). Approval to travel outside of Ontario must be obtained for all employees.

All staff required to travel on Society business that conduct a trip of more than two hundred (200) kilometers in one day are encouraged to use rental vehicle, rather than using their personal vehicle, after balancing factors such as economy, health and safety and efficiency of operations.

Kilometer Allowance All staff authorized to drive a private vehicle on Society business may claim a pre-established kilometer allowance for kilometers driven on official Society business. To be provided with such allowance, employees must complete the an i-Expense claim in CPIN and submit it to his/her supervisor for approval within the pre-established time limits.

Please see SharePoint for examples on how to determine the distance travelled. It will be calculated from the office to the work-related event or from the employee's home, **whichever is the shorter**.

TRAVEL EXPENSES:

Parking expenses will be paid by the Society provided receipts are submitted with the request for reimbursement. (Except where receipts are not provided)

Bridge, ferry and highway tolls and necessary parking fees paid while driving on Society business will be reimbursed provided detailed receipts are obtained and submitted as required.

Traffic and parking violations are non-reimbursable expenses (except in extenuating circumstances that must be documented and warrant the Executive Director approval).

RAIL TRANSPORTATION:

Travel by rail (coach class, unless otherwise approved by Executive Director or designate) is permitted when this is the most practical and economical way to travel. International rail travel should be at the Canadian equivalent to coach class.

AIR TRANSPORTATION:

Travel by air is permitted when this is the most practical and economical way to travel. Travel must be arranged in advance.

Revised: December 2023

POLICY 4.4 b**POLICY TYPE:** SOCIETY/STAFF EXPENSE CLAIMS**POLICY TITLE:** MEALS AND ACCOMMODATIONS**MEAL EXPENSES:**

1. Where the duration of a work-related event is for one or more days, is being held outside the SDG Region and the staff member will be travelling daily, the Society will pay for lunch expenses (unless lunch is included in the registration costs) provided original, itemized receipts are submitted with the request for reimbursement. (credit card slips are not sufficient)
2. Where the work-related event is for two or more days duration **and overnight accommodation has been pre-authorized** the Society will pay for meal expenses (value determined by collective agreement, excluding alcoholic beverages) provided receipts are submitted with the request for reimbursement.
3. Staff will ensure that all claims for more than one person will include details regarding who purpose; date(s); location; and names of the attendees.
4. Gratuities of 15% will be reimbursed-

Alcohol cannot be claimed and will not be reimbursed as part of a travel or meal expense. There are no exceptions to this rule.

ACCOMMODATION EXPENSES:

The Society may pay for reasonable overnight accommodation costs where:

1. the work-related event is two or more days duration; or
2. the work-related event is 100 radius km's or more from the main office location; or where one way travel is for three or more hours from the main office location; and
3. accommodations are requested and approved prior to attending the work-related event.

Staff members are expected to share accommodation where appropriate.

Private stays with family and friends are encouraged. A maximum of \$30.00 per night for gratuitous lodging is allowed. No receipt is required.

Reimbursement will be made for reasonable costs for necessary personal and business calls for each night away. Discretion should be used in the frequency and length of calls.

The Finance department will periodically audit random mileage and expenses claims.

Revised: December 2023

Approved by Board of Directors December 12, 2023

POLICY 4.5

POLICY TYPE: HOSPITALITY

POLICY TITLE: **GENERAL HOSPITALITY GUIDELINES**

HOSPITALITY GUIDING PRINCIPLES

There are occasions when the provision of hospitality to external parties is appropriate to facilitate Society business or is considered desirable as a matter of courtesy. Expenditures for hospitality may exceed those limits outlined under the Business Expenses and Reimbursement Policy.

Definition

Hospitality is defined as the provision of food, beverages (including alcohol), accommodation, transportation or other amenities at public expense to persons who are not engaged to work for the Children's Aid Society of SDG, designated Broader Public Sector organizations (i.e., those governed by the directive) and the Ontario Government.

Principles

Hospitality should be work related, extended in an economical, consistent and appropriate manner that is balanced against the type and number of guests attending, the business purpose to be achieved, efficiency of operations and health and safety.

- Hospitality is extended in an economical, consistent and appropriate way.
- Where guests at a Society hospitality function include vendors or prospective vendors to the Society, the hospitality provided does not give, or is not perceived to give, preferential treatment to any vendor.

COMMUNITY RELATIONSHIPS GUIDING PRINCIPLES

- The Society may incur an expenditure to support an organization or an individual within that organization with whom the Society has a continuing service relationship where that expenditure would be viewed as supportive and enabling a continuation of that service relationship.
- Examples of community relationship expenditures would include flowers arrangements sent to commemorate a significant event (e.g., death of an immediate family member, achievement), honorariums for those helping to coordinate/deliver a community event, the purchase of tickets to attend a community event hosted by that organization and participation in an event or activity that supports that organization.

Revised: December 2023

POLICY 4.5 a

POLICY TYPE: HOSPITALITY

POLICY TITLE: PURCHASE/PROVISION OF BEVERAGES AND FOOD FOR INTERNAL MEETINGS AND EVENTS

OVERVIEW:

This procedure outlines the Society's procedures and criteria for supplying food and beverages for internal meetings and events including:

- Staff training events (see requirements below)
- Board activities

Staff

The Society permits the purchase/provision of beverages and food for staff training events where the event is not held internally, it is more efficient or there is a shortened lunch time; and using the following criteria:

- **Coffee/Drinks and/or Snacks** can be provided if a training event is three (3) hours or more in duration. The cost of these services is not to exceed \$3.50 per person attending (including taxes).
- **Lunch** can be provided if the training event is three (3) hours or more in duration and requires attendees to work through their normal midday meal hour and where providing lunch can be demonstrated to be cost efficient rather than taking a lunch break. The total cost of the lunch is not to exceed \$13.00 per person attending (including taxes).
- **Dinner** can be provided if the training event is three (3) hours or more in duration and requires attendees to work through their normal evening meal hour and where providing dinner can be demonstrated to be cost efficient rather than taking a dinner break. The total cost of the dinner is not to exceed \$23.00 per person attending (including taxes).

Occasionally, the Society supplies food and beverages for activities that involve only employees including a summer, fall and winter staff day, retirement parties, staff meetings and similar staff only functions.

The above criteria do not apply to the Foster Parent and Youth recognition events (see below).

Board of Directors

The Board of Directors is a volunteer board who claim no expenses for the work they do for the Society. Board members are required to meet during their normal meal hours and therefore meals will be provided to them while they are on Society business.

Revised: December 2023

POLICY 4.5 b

POLICY TYPE: HOSPITALITY

POLICY TITLE: **EMPLOYEE RECOGNITION****OVERVIEW:**

Society recognizes the importance of providing both formal and informal recognition to its employees. Society strongly encourages the regular provision of informal recognition.

The Society also formally recognizes employees which may occur at a bi-annual Employee Recognition Event (but not limited to). The recognition committee in consultation with the Executive Director determines the format and budget of this annual event.

Recipients

Active employees are recognized in the year following their fifth (5th) year anniversary of employment with the Society and every five (5) years thereafter.

Retired Employees

Employees who reach a milestone of 20, 25, 30, or 35 years but who retire prior to the Staff Recognition ceremony will be invited to attend and be recognized at the ceremony.

<u>Recognition</u>			
5		\$35 gift	
10			\$100
15			\$200
20			\$300
25		\$50 gift +	\$400
30		\$50 gift +	\$500
<u>Retirement</u>			
0-14 years			\$250
15+			\$500

One Distinction Award will be presented in each of the following categories.

- **Heart and Spirit Award - \$500**
- **Partners in Excellence- \$500**

Revised: December 2023

POLICY 4.5 c

POLICY TYPE: HOSPITALITY

POLICY TITLE: **FOSTER PARENT RECOGNITION**

OVERVIEW

Foster parent recognition is a key element of the Society's working relationships with foster parents. Foster parent recognition occurs informally and formally and is a responsibility shared by the Board of Directors, all Society employees and volunteers.

INFORMAL RECOGNITION

Informal recognition occurs on a regular basis and is reflected in interactions between the foster parents and members of the Board of Directors, employees and volunteers. Informal recognition occurs in many ways, including the following:

- Communication of foster parent accomplishments to Society employees and the Board of Directors through internal mail (print and e-mail).
- Invitations to foster parents to join social events at the Society throughout the year.
- Invitations to foster parents to join Society committees.
- Invitations to foster parents to participate in or co-lead orientation and training events.
- Invitations to foster parents to share expertise at cluster meetings.
- Recognition of fostering skill development through the Training Profile.
- Recognition of fostering accomplishments in television, radio, and newspaper interviews.
- Recognition of personal loss or family celebrations through cards or visits from workers.

FORMAL RECOGNITION

Formal recognition of foster parents may occur at an annual event coordinated by a Recognition Chairperson. This event recognizes foster parents who are retiring permanently after ten or more years and those who have completed a certain number of years of fostering.

The Executive Director and Finance Director determine the format and budget of this annual event.

Revised: December 2023

POLICY 4.5 d

POLICY TYPE: HOSPITALITY

POLICY TITLE: **VOLUNTEER RECOGNITION**

OVERVIEW

The Society welcomes the contribution of community members as volunteers in supporting its mission.

Volunteers play a valuable and integral role in the provision of service to children, youth and their families. Volunteers enhance capacity and extend the work of staff throughout the organization.

The Society recognizes the need to support volunteers with training, orientation and supervision in order to ensure that each volunteer's experience is a positive one.

DEFINITION

Volunteers are community members who dedicate their time and contribute their skills and talents to serving families, children and youth in a direct service or administrative support capacity.

Recognition

Recognition of volunteers is an on-going activity. Although the Society may formally recognize volunteer contributions at an annual event, recognition and appreciation of volunteers by staff who work directly with volunteers is encouraged on an on-going basis.

The Executive Director and Finance Director determine the format and budget of this annual event.

Revised: December 2023

POLICY 4.6

POLICY TYPE: PERQUISITES

POLICY TITLE: **GUIDELINES FOR PERQUISITES**

The term perquisites, or perks, refer to a privilege that is provided to an individual or to a group of individuals, provides a personal benefit, and is not generally available to others.

A perquisite is not allowable if it is not a business-related requirement. To be allowable, a perquisite must be a business-related requirement for the effective performance of an individual's job. The authority for approvals for perquisites lies with the Executive Director or the Board.

This policy applies to the following individuals:

- Board Members
- Employees
- Foster Parents
- Volunteers
- Consultants or Contractors

The policy does not apply to the following:

- provisions of collective agreements
- insured benefits.
- items generally available on a non-discriminatory basis for all or most employees (e.g. an employee assistance program, pension plans)
- health and safety requirements (e.g. provision of work boots)

- employment accommodations made for human rights and/or accessibility considerations (e.g. special workstations, work hours, religious holidays)
- expenses covered under an organization's rules on travel, meals and hospitality (established in accordance with the BPS Expenses Directive)

The following perquisites are not allowed under any circumstance:

- club memberships for personal recreation or socializing purposes, such as fitness clubs, golf clubs or social clubs.
- seasons tickets to cultural or sporting events
- clothing allowances not related to health and safety or special job requirements.
- access to private health clinics – medical services outside those provided by the provincial health care system or by the employer's group insured benefit plans.
- professional advisory services for personal matters, such as tax or estate planning

These privileges cannot be provided by any means, including:

- an offer of employment letter, as a promise of a benefit,
- an employment contract, or
- a reimbursement of an expense

Summary information about allowable perquisites will be made publicly available on an annual basis. Personal information will not be provided.

Revised: December 2023

POLICY 4.7

POLICY TYPE: SOCIETY/EXECUTIVE & BOARD EXPENSE CLAIMS

POLICY TITLE: EXECUTIVE TRAVEL AND BOARD TRAVEL

MCCSS POLICY DIRECTIVE: CW 001-17 POST EXECUTIVE-LEVEL STAFF AND BOARD MEMBER TRAVEL EXPENSES TO PUBLIC WEBSITE

The Society will post the total year-end audited actual travel expenses incurred by executive-level staff and board members to their public websites.

Executive-level staff is defined as the Executive Director, or Chief Executive Officer, Directors of Service, Director of Human Resources, Director of Finance, Director of Human Resources, Director of Legal Services, Director of Quality Assurance, Director of Information and Technology.

Board members are defined as each member of a children's aid societies locally appointed (or elected) Board of Directors, which is responsible for the governance of the society.

(a) Children's aid societies will post the total approved year-end audited actual travel expenses by individual executive-level staff member for each of the following expense categories:

- Accommodations

- Meals
- Transportation – Specify by type: Airplane, Train, Vehicle, Taxi, Other
- Other travel expenses

(b) Children's aid societies will post the total approved year-end audited actual travel expenses by individual board member for each of the following expense categories:

- Accommodations
- Meals
- Hospitality
- Transportation – Specify by type: Airplane, Train, Vehicle, Taxi, Other
- Other travel expenses

Children's aid societies must post the total approved year-end audited actual travel expenses as required in 2(a)(b)(c) above on or before the last day of the fourth month following the end of each fiscal year (i.e. July 31).

Children's aid societies must provide attestation of compliance with the requirements of this directive each fiscal year in their Child Welfare Transfer Payment Annual Reconciliation Reports.

Revised: December 2023

POLICY 5.1

POLICY TYPE: LIABILITY & INSURANCE

POLICY TITLE: RISK LEVEL

The Society determines the levels of risk it incurs under contract and alters its liability coverage as required.

Revised: December 2023

POLICY 5.2

POLICY TYPE: LIABILITY & INSURANCE

POLICY TITLE: LIABILITY COVERAGE

The Society will carry liability coverage for employees, Board members, officers, foster parents and volunteers. This coverage will be clearly explained and communicated to all those covered.

Revised: December 2023

POLICY 5.3

POLICY TYPE: CONTRACTUAL RELATIONSHIPS & PURCHASED SERVICES

POLICY TITLE: SEGREGATION OF DUTIES

The Society will ensure that there is segregation of at least three of the five functional procurement roles: Requisition, Budgeting, Commitment, Receipt and Payment. Responsibilities for these roles must lie with different departments or, at a minimum, with different individuals.

Revised: December 2023
