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| <p style="text-align: center;">Rainy River District Social Services Administration Board</p> <p style="text-align: center;">FINANCIAL CONDITION</p> | <p style="text-align: center;">Policy Area</p> <p style="text-align: center;">GOVERNANCE Executive Limitations</p> |
| | <p style="text-align: center;">Policy Number</p> <p style="text-align: center;">G-3.0</p> |

Preamble

The Rainy River District Social Services Administration Board (RRDSSAB) has been entrusted with public funds to fulfill its mission of the management and delivery of community-based services. All staff under the leadership of the Board are obliged to ensure that funds are used only for mission-related purposes.

RRDSSAB establishes the boundaries of acceptable financial status. In doing so, the Board indicates those characteristics of financial intentions that are not acceptable.

Policy

The RRDSSAB will operate in a sound and prudent fiscal manner and therefore, the Chief Administrative Officer (CAO) may not jeopardize the long-term financial strength of the organization. Accordingly, he/she may not, unless otherwise directed by the Board:

- a) Cause RRDSSAB to incur indebtedness other than trade payables incurred in the ordinary course of doing business;
- b) Use restricted contributions for any purpose other than that required by contribution;
- c) Settle payroll and debts in other than a timely manner; and/or
- d) Allow expenditures to deviate materially from Board-stated priorities.

Procedures

1. The CAO and Management staff ensure that:
 - a) financial policies and procedures are developed and implemented;
 - b) staff are properly trained for their assigned duties; and
 - c) mechanisms are in place to ensure compliance with policies.
2. All personnel are responsible for ensuring that fiscal controls exist and are used to prevent abuse or misuse of RRDSSAB resources. Fiscal controls will include:
 - a) approval authority;
 - b) asset management;
 - c) the financial system; and
 - d) the separation of duties.
3. The accounting system will provide internal controls for safeguarding assets, ensuring that bills are processed for goods and services sold, promoting the accuracy and reliability of financial data, and encouraging adherence to approved policies. The system of checks and balances will be sufficient to disclose conditions and transactions not in conformance with legal, administrative and accounting requirements, and to ensure that funds are disbursed for the purposes for which they are legally available and administratively authorized.
4. The RRDSSAB develops and adheres to specific policy relating to the spending and accounting of reserve funds.

ADOPTION & REVIEW GUIDELINES

Approved by Res. #05/99 on 14 January, 1999
Reviewed/Revised by Res. #88/02 on 17 October, 2002
Reviewed/Revised by Res. #99/06 on 14 September, 2006

Approximate date of next review: September, 2009

| REFERENCES: | POLICY AREA | POLICY NAME AND NUMBER |
|--------------------|--------------------|---|
| | Financial | F-1.0, Introduction to Financial Management |
| | Financial | F-2.0, Control Mechanisms |
| | Financial | F-3.0, Disbursement of Funds |
| | Financial | F-3.1, Payment of Accounts |
| | Financial | F-3.2, Travel Expenses |