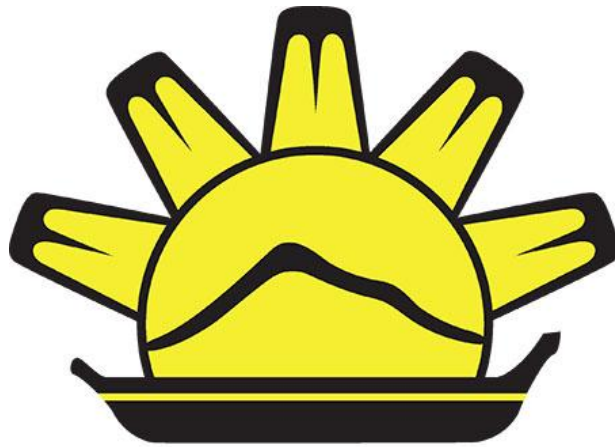


Statement of Policy and Procedure	
BCR #	2016/17-069
File Reference #	FAL-022
Issue/Effective Date	January 19, 2017

Malahat Nation

Expenditure Policy

Approved by Council on Jan 19, 2017



Malahat

1. Policy

Expenditures paid to suppliers or reimbursed to Councillors and Malahat Nation employees will be in support of valid Malahat Nation activities, duly authorized, accurately recorded in the financial system and sufficiently supported through original documentation.

2. Purpose

The purpose of the policy is to ensure that all expenditures from Malahat Nation's funds are in support of valid Malahat Nation programs and activities and that processing of payments are subject to proper approvals and budgetary controls.

3. Scope

This policy and procedure applies to the Council, committees of Council, officers, employees of Malahat Nation, consultants and any other persons conducting activities in connection with the Financial Administration of Malahat Nation.

4. Responsibilities

- (1) The individuals listed in the Delegation Table from the [Delegated/Assigned Responsibilities Policy] are responsible for:
 - (a) Before approving an expenditure, ensuring that it is permitted under the current Malahat Nation annual budget and as required in the Financial Administration Law,
 - (b) Reviewing reimbursable expenditure claims to ensure that the requirements of this policy have been met before approving for payment, and.
 - (c) Approving expenditures per the [Delegated/Assigned Responsibilities Policy].
- (2) The employees assigned responsibility for paying accounts will:
 - (a) Ensure that all expenditures have the required approvals per this policy and the Delegated/ Assigned Responsibilities Policy before processing for payment, and
 - (b) Ensure that all required documentation accompanies each payment and is retained in the financial records of Malahat Nation in accordance with the [Records Information Management Policy].
- (3) Employees, committees and Council members are responsible for:
 - (a) Ensuring that all reimbursable expenditures claimed are in accordance with this policy,
 - (b) Preparing a reimbursable expenditures claim that includes all required documentation, and,

- (c) Seeking approval from the Chief Executive Officer for items that are not addressed in this policy before proceeding.
- (4) The Chief Executive Officer is responsible for
- (a) Approving expenditures for emergency purpose that was not anticipated in the budget if the expenditure is not expressly prohibited by or under the Financial Administration Law or another Malahat Nation law.

5. Procedures

General and Operational Expenditures

- (1) All purchases of goods or services will be made in accordance with the [Procurement Policy] and procedure and the [Delegated and Assigned Responsibilities] policy and procedure.
- (2) All requests for payments for performance of work or services or supply of good must include a statement certifying that
 - (a) the work or services have been performed or the goods supplied, any conditions in an agreement respecting the work, services or goods have been met and the price charged or amount to be paid is in accordance with an agreement or, if not specified by an agreement, is reasonable; or
 - (b) if payment is to be made before completion of the work or services, delivery of the goods or satisfaction of any conditions in an agreement, the payment is in accordance with the agreement.
- (3) All requests for payment must identify the appropriate or trust account out of which payment is to be made and must be
 - (a) in accordance with the appropriation identified; or
 - (b) allowed without the authority of an appropriation under the Financial Administration Law.

Payroll

- (1) Employee Benefits, Deductions and Leave shall be governed under the Employee Policy Manual which may be amended by the Chief Executive Officer or delegate from time to time as needed.

Reimbursable Expenditures

- (1) Employees will clearly demonstrate and document that all amounts they are claiming for reimbursement were directly related to authorized activities performed on behalf of Malahat Nation.
- (2) Expenses reimbursed by hosts or other third party funding arrangements must not be claimed. Declaration of such third party reimbursements must be made in accordance with Malahat Nation's Conflict of Interest Policy.

- (3) Travel expenditures eligible for reimbursement shall be governed under the Travel and Accommodation policy which may be amended by the Chief Executive Officer

Expenditure Reporting and Documentation

- (1) For general and operational expenditures, the following should be submitted to accounting for payment:
- (a) Contract/agreement (if applicable).
 - (b) Invoice.
 - (c) Purchase order (if applicable).
 - (d) Receiving documents / packing slips.
 - (e) For payroll: payroll authorization form, timesheets, and salaried employee adjustments.
 - (f) Signed approval according to the [Delegated and Assigned Authorities Policy] and the Financial Administration Law.
- (2) Reimbursable expense claims must be complete, sufficiently supported, and recorded on the prescribed expense claim form. Before submitting expenses to Accounting for approval and payment, the employee will ensure that they have prepared a complete claim that includes:
- (a) The employee's signature and date signed, acknowledging that all amounts claimed are accurate and in support of Malahat Nation official business;
 - (b) Receipts for all amounts claimed. Credit card receipts alone are not sufficient, the itemized receipt or invoice from the supplier must be included in every reimbursement or expense claim.
- (3) Credit card receipts alone are not sufficient, the original itemized receipt or invoice from the supplier must be included in every reimbursement or expense claim.
- (4) All expenditures, claims must be submitted to Accounting within 30 days of the expense being incurred.

Approval for Payment

- (1) In addition to the steps below, the tax administrator or delegate must authorize payment out of a local revenue account.
- (2) Invoices for goods or services under \$100, will be authorized and approved for payment as per the Authorization and Delegation Policy
- (3) When suitable the individual that approves the expenditure shall not be the same individual who approves the payment.

(4) Claims that do not meet the requirements outlined in this policy will be denied reimbursement.

Payments

(5) All payments will be signed by two authorized signatories, and distributed by Finance.

(6) All documentation supporting payment will be retained in accordance with the [Records and Information Policy].

(7) Accounts Payable employees will notify the Director of Finance immediately of any instances of

- (a) Non-compliance with policy requirements that cannot be resolved, and
- (b) Suspected fraud.

6. References and Related Authorities

(1) FMB's Financial Management System Standards

- (a) Standard 8.1 Council delegation procedures
- (b) Standard 8.2 Assignment procedures
- (c) Standard 18.4 Expenditures
- (d) Standard 18.8 Reimbursable expenses

(2) FMB's Financial Administration Law Standards

- (a) Standard 8.2 Delegation
- (b) Standard 16.2 Expenditures

7. Attachments

None