



FINANCIAL POLICY

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ST'ÁT'IMC
GOVERNMENT SERVICES



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1. ORGANIZATION BACKGROUND

1.1. Introduction

St'at'imc Government Services (SGS) was established by the St'at'imc Chiefs Council (SCC) as a federally incorporated not for profit society on January 5, 2012 to facilitate the implementation of the St'at'imc Hydro Settlement Agreements for the collective benefit of the St'at'imc.

The SGS shareholders are the 10 participating St'at'imc communities¹, as represented by each community's Chief and Council. The Board is comprised of one representative from each of the ten participating communities, who is selected according to internal community processes, with 5 Board members forming the Executive Committee.

The Board is responsible for: governing and monitoring the SGS; strategic planning; ensuring that reporting to the communities and *úwalmicw*² is undertaken; selecting, appointing, managing and monitoring the Implementation Manager; and maintaining a good relationship with SGS shareholders and *úwalmicw*.

The Board reports to the St'at'imc Authority, who reports to the St'at'imc Trust, who is accountable to all St'at'imc *úwalmicw* and St'at'imc communities.

The Implementation Manager (IM) is responsible for: assisting with completing and fully implementing the Board's annual strategic plan; developing and implementing administrative policies and procedures; directing, supervising and evaluating all Department Managers, staff and contractors; diligently managing the annual financial budget; ensuring SGS assets are protected; and working with the SGS Board to continually develop the organization's capacity.

The 1911 Declaration was written with an emphasis on "the whole tribe", or all *úwalmicw*. SGS is a tool through which to do work that serves the benefit of all *úwalmicw*. Therefore, beyond the legal accountabilities of SGS, SGS acknowledges that it is accountable to all *úwalmicw*.

¹ With an option for LE'wat to join at anytime. See SGS incorporation documents.

² St'at'imc definition is 'people of the land', and used generally to refer to Aboriginal peoples. However in this manual it refers specifically to St'at'imc people of the land.



Organizational Structure



1.2. SCC Vision

*SCC is the St'át'imc unified government rooted in
Nxeemhkhálha máta7 nt'áqmenhkaíha
(Our laws and our way of life)³.*

1.3. SGS Purpose

Contributing towards the broader SCC vision, the purpose of SGS is to operate as an efficient organization that implements the Hydro Agreements by: coordinating and providing advisory services, capacity building, partnership and relationship building; cultivating opportunities in the areas of lands and resources, heritage and culture, stewardship, education and training, and service delivery programs; and maintaining Hydro relationships. SGS may take on additional purposes as mandated by the SCC and úowalmíow.

³ St'át'imc Land and Resource Authority, (2004), *Nxeemhkaíha 7 Iníowá Draft land use plan*, part 1.



1.4. SGS Values

The SGS IM, Department Managers and staff are guided by the following values as set forth by the SGS Board:

Value	Definition
Trustworthy & Ethical	SGS values respect, honesty and integrity; our stewardship values of Inioe (the land); the interconnectedness of our language, culture and heritage with the land; and the protection and sustainable management of our shared resources for future Óowalmiow (Si'ál'mic people of the land) by only taking what we need.
Community Centered	SGS values the needs and interests of Óowalmiow; respects our needs and rights (safety, education, health, dignity, and self-determination); and respects our history, our language and culture (knowledge, Óowalmiowts - language, and practices).
Unity	SGS values and strengthens our inter-relationships, and the interdependence amongst our Óowalmiow, communities, Nation, and our Creator.
Strategic and Competent	SGS is committed to life-long learning that improves individual and organizational capacity and standards, which is reflective of our traditional leaders' roles. Our leaders, at all levels, strive to be highly competent, skilled, adaptive, and innovative to meet evolving needs.
Sharing and Reciprocity	SGS brings together resources to undertake its work, and also to share responsibilities, resources, knowledge and information with Óowalmiow and the communities.

Further, SGS is a learning organization that is committed to:

- Nation building;
- Supporting the Si'ál'mic unity principles;
- Providing a sustainable work-life balance that promotes the well-being of its employees; and
- Modeling professionalism and integrity.



1.5. Operations Manual Purpose

This Finance Policy is a component of the overall SGS Operations Manual, which was developed to:

- i. Describe the SGS purpose;
- ii. Describe some of the expectations SGS has for the SGS IM, Department Managers and staff (collectively referred to as the "employees");
- iii. Outline and increase understanding of SGS policies, procedures and operating standards;
- iv. Define the programs and benefits that are available;
- v. Serve as a guideline for effective decision making; and
- vi. Ensure fairness and consistency of processes, practices and procedures throughout SGS.

The policies written are designed to be an active, fundamental operating guide and communication tool. All policies apply to all employees, unless otherwise specified. As such you are required to familiarize yourself with this manual in its entirety, and any updates that are issued henceforth.

This manual will evolve to meet the changing needs, realities and responsibilities of SGS, as determined by Úowalmlow and the SCC, and the legislation and regulations that legitimately apply to SGS. Therefore, the IM will periodically review the manual with SGS department managers and staff, and make modifications to reflect the current environment.

In the event of dispute or disagreement arising from the interpretation of any term, condition, word, process or procedure of the policy, the matter will be referred to the Implementation Manager for a final decision.

This operations manual has six primary sections of policy to ensure all aspects of operations are addressed, including: Organizational Background, and Financial Policy.

We hope that you will take pride in being a member of our team and that your experience with SGS will be challenging, enjoyable, and rewarding.



2. FINANCIAL POLICY

* The following is financial policy adopted and used with permission, from Douglas First Nations award winning financial policy.

Purpose

SGS is accountable to its Board of Directors and *ówálmíow* for the use of funds arising from the BC Hydro Agreements and other sources made available to SGS. These resources must be wisely used to maintain the viability of the SGS and its services in the short, medium and long-term for the benefit of future generations.

Objectives

This Financial Policy is designed to:

- a. Regulate the receipt, management and expenditure of SGS funds;
- b. Provide all SGS employees with direction and guidance in connection with SGS accounting transactions, procedures and reports;
- c. Ensure that SGS finances are administered in a manner that encourages:
 - i. Sound financial management and effective system of internal controls;
 - ii. Effective and efficient use of funds in the provision of SGS services;
 - iii. Cooperation and coordination with *Stá'ano* communities and strategic funding partners; and
 - iv. Development of appropriate financial capacity for present and future needs.

2.1. Responsibility Centers

2.1.1. Responsibilities of the Implementation Manager

As outlined in the SGS Governance Policies, the Implementation Manager (IM) is the Board's only link to administrative achievement and conduct. For SGS, all administrative achievement and conduct of staff are the responsibility of the IM. The IM may delegate some responsibilities to the Finance Department, and Department Managers, but the IM remains accountable for their actions. In ensuring that the following limitations regarding Financial Management are adhered to:

2.1.1.1. IM Fiscal Planning Limitations

Policy	<p>The IM will not act in a manner inconsistent with the financial requirements of the BC Hydro Agreements or other funding agreements, and will not depart significantly from the Board's stated strategic goals or jeopardize the fiscal standards of the Board. Therefore, the IM will not:</p> <ol style="list-style-type: none">a. Permit accounting and reporting systems to operate outside of generally accepted accounting principles (GAAP).b. Run a deficit budget; that is, will not plan or expend more operating funds than are conservatively projected to be received in any given fiscal year.c. Produce a budget which contains too little information to allow:
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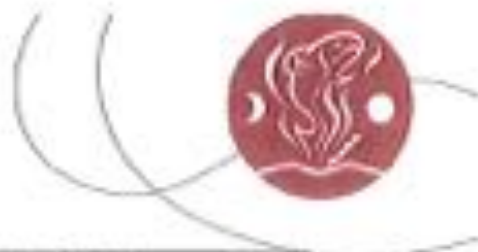


	<ul style="list-style-type: none">l. A reasonably accurate projection of revenues and expenses.i. A reliable cash flow projection.ii. Subsequent audit trails.iv. Planning assumptions.e. Reduce current liquid assets below a level that can meet SGS's current liabilities.
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2.1.1.2. IM Financial Conditions and Activities Limitations

Policy	<p>The IM will ensure SGS is financially sound. Therefore, the IM will not allow financial risk to develop, nor jeopardize his/her ability to allocate funds with integrity. Therefore, the IM will not:</p> <ul style="list-style-type: none">a. 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.b. Commit nor expend more funds than have been provided for in the annually approved budget.c. Incur SGS beyond any levels provided for in the annually approved budget.d. Use any long-term reserves without authorization through the duly approved budget.e. Conduct inter-fund transfers to a greater amount than can be restored by uncommitted revenues within thirty days.f. Fail to settle payrolls and debts quickly and according to supplier terms.g. Allow tax payments or other government ordered payments or filings to be overdue or inaccurately filed.h. Make a single purchase or financial commitment of greater than \$100,000, without the Board's approval.i. Acquire, encumber, or dispose of real property, without the Board's approval.j. Fail to aggressively pursue receivables after a reasonable grace period.
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2.1.1.3. IM Asset Protection Limitations

Policy	<p>SGS's assets must be properly cared for, including property, equipment, membership lists, and computerized data. The IM will not allow SGS's assets to be unprotected, inadequately maintained, or unnecessarily risked. Therefore, the IM will not:</p> <ul style="list-style-type: none">a. Fail to insure against theft and casualty losses to at least 80% of replacement value.b. Fail to insure against liability losses to Board members, staff, and SGS in no greater amount than the average for comparable operations.c. Allow the licensing of computerized equipment, software, or data or other intellectual property, utilized by SGS to be held or owned outside of SGS, unless there is expressed written permission by the Board.d. Allow non-bonded personnel to access material amounts of funds.e. Subject infrastructure and equipment to inadequate maintenance and improper wear and tear.f. Unnecessarily expose SGS, the Board, or staff to claims of liability.g. Make any purchase:<ul style="list-style-type: none">i. Where normally careful protection has not been given against conflict of interest.ii. Of more than \$50,000 without having obtained comparative prices and quality.iii. Of more than \$50,000 without a strict method of ensuring a balance between cost and long-term quality.h. Receive, process or spend funds under controls that are insufficient to meet the Board's auditor's standards.i. Invest or hold operating capital in insecure instruments, including:j. Uninsured checking accounts and bonds of less than AA rating.k. Non-interest bearing accounts.l. Endanger SGS's public image or credibility, particularly in ways that would hinder accomplishment of its strategic goals.
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2.1.1.4. IM Focus of Funding and Contracts Limitations

Policy	<p>The IM will not enter into any funding or contract arrangements that fail to fit within the Board's strategic goals, and/or fail to prevent the IM from acting within the limitations set by the Board. In addition, the IM will not:</p> <ul style="list-style-type: none">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.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.c. Award funded positions or contracts over \$50,000.00 without having obtained comparative prices and quality.
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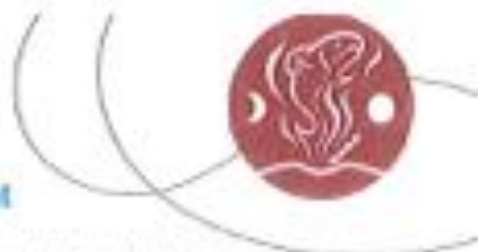


2.1.2 Responsibilities of Department Managers

For SGS, all administrative achievement and conduct of staff are the responsibility of the IM. The IM delegates some responsibilities to Department Managers, but the IM remains accountable for Department Manager actions, which are required to be consistent with the limitations outlined in the *Responsibilities of the IM* section.

Specific responsibilities of the Department Manager that are required by Department Managers for overall effective management include, but is not limited to:

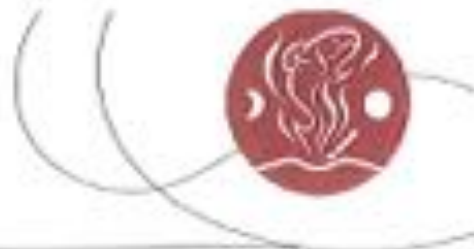
Policy	<p>Department Managers are responsible for:</p> <p><i>Department Policies:</i></p> <ul style="list-style-type: none">a. Developing and implementing departmental policies and procedures, where needed, that are consistent with IM limitations, SGS policies, and ensure the effective financial management of the annual department budget consistent with the SGS operations manual.b. Familiarizing employees and contractors/consultants with departmental policies and procedures, and ensuring compliance. <p><i>Department Financial Conditions and Activities Limitations</i></p> <ul style="list-style-type: none">a. Developing and implementing departmental policies and procedures, where needed, that are consistent with IM limitations, SGS policies, that ensure department budgets are balanced and do not run a deficient, including maintaining an annual department contingency fund.b. Managing their budgets and scrutinizing monthly financial statements for over/under spending, uncollected revenues, and other anomalies, and reporting to the Finance Department on a monthly, quarterly and annual basis. <p><i>Departmental Asset Protection</i></p> <ul style="list-style-type: none">a. Developing departmental asset protection policies and procedures that are consistent with IM limitations and SGS policies, and that protect department assets where needed, and where not already covered in SGS policies. <p><i>Departmental Compensation & Benefits:</i></p> <ul style="list-style-type: none">a. Develop and implement departmental policies and procedures, where needed, that are consistent with IM limitations, SGS policies, for compensation and benefits. <p>All departmental policies must include a document log or tracking system, and be approved by the IM.</p>
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2.1.3. Responsibilities of the Finance Department

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

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

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

Policy	<p>The Finance Department will assure that adequate internal controls and systems are in place so:</p> <ol style="list-style-type: none">All financial transactions are properly authorized;All financial transactions are recorded and coded correctly;All assets of the SGS are safeguarded;Relevant, timely and clear financial information is provided to those who need it to carry out their duties; andError and fraud will be prevented and/or detected.
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2.4. SGS Accounts and Account Controls

Policy	<ol style="list-style-type: none">SGS must maintain a bank account with a recognized chartered bank with additional accounts opened as required, and approved by the IM and SGS Executive.Cheque signers are to be limited to the IM and up to four (4) Board members.A minimum of two (2) signers must sign every cheque.Authorized signing officers shall not sign or prepare cheques made payable to themselves or to related persons.The bank shall be notified of any changes in signing authority.Blank cheques shall never be signed. Cheques must be properly completed prior to being signed.Blank cheques that are sequentially pre-numbered must be stored in a secure location accessible only by the IM and Finance Department.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">PayeeDate of paymentAmount of paymentCheque numberReference numbers for documents being paid
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	<p>i. Once the approved accounts payable coding voucher (See APPENDIX D – 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.</p>
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2.5. Financial Data Management

Policy	<p>The Finance Department will ensure that all financial data is managed and protected in the following ways:</p> <ul style="list-style-type: none">a. Store computerized data on the server.b. Back up the server each night and take the back up media off site. The back up may be in the form of an SGS owned dedicated removable storage device and should be:<ul style="list-style-type: none">i. Stored under lock and key.ii. In a fireproof container.c. Install and regularly update anti-virus software.d. Password protect access to all computers and devices that have SGS information stored on them.e. Ensure that no one other than authorized SGS employees have access to SGS information at anytime.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.g. Ensure digital data remains secure for no less than seven years.
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2.6. Loans and Borrowing Powers

Policy	<p>SGS is prohibited from making loans to any member of the SGS Board, or any individual or group of individuals, from monies designated for the use and benefit of SGS.</p> <p>SGS 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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2.7. Debts

Policy	<p>SGS 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, SGS shall make reasonable efforts to re-negotiate payment of outstanding debts with the debtor.</p>
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2.8. Insurance

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

Policy	<p>Finances are to be organized so that they are clear and understandable.</p> <ul style="list-style-type: none">a. SGS operations are to be divided into their major functioning areas, namely: administration; lands and resources; heritage and culture; lands; and education and training.b. All of the programs in a functional area are to be grouped together into "departments." For example, all of the Lands and Resources programs are to be placed into the "Lands & Resources department."c. 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 department with a separate budget plan and reporting.d. Every Department Manager is responsible for preparing a department budget plan and report, to be combined by the IM into the overall annual budget or financial report, if requested by the Board.e. Each Department Manager is responsible for implementing their department budget and maintaining a balanced budget, and is encouraged to leverage existing funding to maximize (owakicw benefit without competing with community funding opportunities.f. All surpluses from department funds that accumulate will be held by the originating department as a 'restricted funds', to be used only for their exclusive use.g. All department surplus funds from non-SGS funds will be managed in accordance with the strategic funding partners requirements.h. Department contingency funds from department surpluses provide SGS and its programs with a degree of financial security, or as seed funds to leverage additional funding for complimentary pilot projects or one time projects consistent with the SGS annual plan, and approved by the IM.
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2.10. Financial Planning

Policy	The Finance Department will maintain the approved annual budget, in collaboration with the IM and Department Managers that estimates resources and expenditures, based upon a five year rolling strategic plan.																	
	The following are the major provisions for preparing the SGS annual financial budget.																	
	<table border="1"><thead><tr><th>Major Steps in Budget Planning</th><th>Annual Deadlines</th></tr></thead><tbody><tr><td>Board/IM Strategic Plan Updating</td><td rowspan="2">November</td></tr><tr><td>Request by the IM to Department Managers to prepare provisional annual budgets. Unless significant changes in funding are expected, funding for long-term programs is estimated using the prior year's figures.</td></tr><tr><td>Department Managers final annual budgets, including estimates of revenues from all sources⁴</td><td rowspan="2">January</td></tr><tr><td>IM overall budget development, including required contingency funds, and communications to Department Managers for any required changes.</td></tr><tr><td>Presentation of draft budget to SGS Treasurer, identification of any required changes, and preparation of final draft budget.</td><td>February</td></tr><tr><td>SGS Board review, approval, and revisions as needed.</td><td>March</td></tr><tr><td>Staf'imo Authority review, approval, and revisions as needed.</td><td>April</td></tr><tr><td>Staf'imo Authority budget approval and implementation</td><td>May</td></tr></tbody></table>		Major Steps in Budget Planning	Annual Deadlines	Board/IM Strategic Plan Updating	November	Request by the IM to Department Managers to prepare provisional annual budgets. Unless significant changes in funding are expected, funding for long-term programs is estimated using the prior year's figures.	Department Managers final annual budgets, including estimates of revenues from all sources ⁴	January	IM overall budget development, including required contingency funds, and communications to Department Managers for any required changes.	Presentation of draft budget to SGS Treasurer, identification of any required changes, and preparation of final draft budget.	February	SGS Board review, approval, and revisions as needed.	March	Staf'imo Authority review, approval, and revisions as needed.	April	Staf'imo Authority budget approval and implementation	May
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2.11. Financial Reporting

Policy	<ol style="list-style-type: none">Annual budget figures are to be allocated as appropriate to the twelve (12) months of the year, or as identified by Department Managers⁵ and entered into the financial accounting system.The Finance Department working collaboratively with the Department Managers and IM will produce a monthly financial report for the prior month, within one week of the end of the month, that summarizes administration and each program area's:<ol style="list-style-type: none">Actual revenues and expenditures (R & E) for the prior month;Total R & E for the year-to-date;The budgeted R & E for the year-to-date;The total program budget for each program for the year.The Finance Department and Department Managers are responsible for scrutinizing their respective monthly financial statement for over/under
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⁴ Sources must not compete with Staf'imo community funding opportunities.

⁵ To accommodate departments that have seasonal budget fluctuations.





	<p>spending, uncollected revenues, and other anomalies.</p> <ul style="list-style-type: none">d. All reporting and documents used for monthly, quarterly and annual reporting will be scrutinized for errors by the Finance Department before being released to the IM, Department Managers, and/or SGS Board.e. The Finance Department (working collaboratively with the IM and Department Managers) is also responsible for developing quarterly and annual reporting, for Board approval, that includes at a minimum:<ul style="list-style-type: none">i. Consolidated balance sheet,ii. Statement of revenues and expenses, andiii. Notes to financials.
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2.12 Audit and Reporting Requirements

Policy	<ul style="list-style-type: none">a. The IM is responsible for ensuring finances are audited annually by an independent auditor.b. The audit must be carried out in accordance with GAAP, and financial statements must be prepared in accordance with GAAP.c. The audit will include all transactions involving SGS finances. The IM and Department Managers will provide the auditor with all required accounting records and documents supporting the financial records.d. The audit shall report on all SGS financial activities and shall include:<ul style="list-style-type: none">i. Consolidated balance sheet,ii. Statement of revenues and expenses, andiii. Notes to financials.e. A management letter to the SGS 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.f. A copy of the audit must be permanently kept in the SGS administration office.g. The SGS Board will present the audited financial statements to the State's Authority.h. The audited financial statement will include audited schedules for expenditures.
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2.13. Budget Adjustment & Amendment Process

Policy	<p>The SGS 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">a. Adjustment: Under the first method, departmental expenditures and requirements are monitored throughout the year. Certain departments may in rare circumstances develop the need for additional funding to cover unanticipated costs that cannot be covered from their existing department budget, while other departments will not require their full budget authorizations. The IM reviews and analyzes all department budgets to determine what adjustments are necessary and whether the adjustments can be made within existing annual limits. These changes are then reviewed with the affected Department Manager. When an adjustment is needed, the IM 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.b. Amendment: Amending SGS's budget occurs whenever the requested changes from Department Managers will cause the existing annual SGS budget to increase. SGS budget increases are strictly prohibited. Budget increases can occur when the IM authorizes additional funding from strategic funding partners that has a significantly positive impact on the SGS budget, or the Board approves additional funding from other sources (e.g. SER contributions).
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2.14. Financial Information Disclosure

Policy	<ul style="list-style-type: none">a. All Ócwainicw (SGS staff member) have the right⁹ to access Board approved SGS financial reports.b. All requests for financial reports must be made to the SGS Implementation Manager (IM) providing sufficient detail to enable the IM to identify the records sought, and proof of identity as a Ócwainicw.c. The IM will respond openly, accurately and completely to the Ócwainicw request within 30 days. If more time is required for any reason, the IM is responsible for advising the Ócwainicw of when the response can be reasonably expected.d. If the response does not contain sufficient information to identify which financial records are being sought, or the individual cannot provide proof of identity, the IM may refer the request to the SGS Board Treasurer/Finance Committee.e. If the request contains insufficient information to identify the financial reports requested or does not contain appropriate identification, the IM and/or the SGS Board Treasurer/Finance Committee must advise the
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⁹ As outlined under the Freedom of Information and Protection of Privacy Act.



	<p>Ücwalimow in writing and identify the reason(s) for refusal.</p> <p>f. At anytime, any Ücwalimow may examine all approved financial reports of the SGS at the SGS AGM, or by request at the SGS offices during regular business hours.</p> <p>g. The IM may refuse to disclose to a Ücwalimow financial information that:</p> <ul style="list-style-type: none">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;ii. May contain legal opinions which are subject to solicitor client privilege;iii. May include other privileged documents that could reasonably expect to reveal information received in confidence that could harm the conduct of negotiations relating to aboriginal Title and Rights;iv. Could reasonably be expected to harm the financial or economic interests of the SGS; orv. Would be an unreasonable invasion of a third party's personal privacy, including personal financial information.
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2.15. Purchasing and Contracts

2.15.1. 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 SGS and all of its subsidiary holdings, regardless of where the funds originate.</p>
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2.15.2. Purchasing and Expenditure Authority

Policy	<p>a. Expenditures of SGS may be made only if the expenditures have been approved from the annual budget, approved by IM, or SGS Board, and subject to the limitations outlined by the Board. If the purchase of a good or service has been approved as part of a department's annual budget the purchase may proceed without further approvals required. In these cases, the good/service purchase approval should be included in the notes to financials and financial reports, as "approved through annual department budgets, (date)".</p> <p>b. Department Managers and the IM are the only authorized persons to complete purchase orders for their department use, and with authorized photocopies prepared for their supplier and Finance Department.</p> <p>c. Department Managers and the IM will review and purchase goods/services from the State's pre-qualified suppliers list with the goals of:</p> <ul style="list-style-type: none">i. Achieving balanced program budgets;
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	<ul style="list-style-type: none">ii. Obtaining the best possible price quotes, maximizing quality and best benefit for SGS;iii. Purchasing in bulk when beneficial to do so; andiv. Minimizing shipping costs. <p>d. Only the IM and Department Managers have the authority to purchase goods or services on behalf of the SGS, within the following purchasing authority limits:</p> <ul style="list-style-type: none">i. IM – up to a maximum of \$100,000ii. Department Managers – up to a maximum of \$3,000 <p>e. If an item to be purchased exceeds the approval limit of the IM, and the item has not been approved as part of the budget, then the IM must receive approval from the SGS Board Chair and/or Executive prior to making the purchase.</p>
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2.15.3. Bids or Quotes

Policy	<p>In order to obtain the best value for SGS 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">a. For goods and services up to \$50,000 that does not form part of an approved department budget, an RFP process or formal quote is not required, but IM approval is required.b. For goods and services \$50,000 to \$100,000 the IM will at his/her discretion secure quotes as needed to ensure the most effective use of funds, but must present a rationale for the Board if requested.c. For goods and services \$100,000 up to \$150,000, an invitation to bid process requiring a minimum of three formal bids is required, with the winning bid approved by the SGS Chair and/or Executive.d. For goods and services more than \$150,000, an RFP process is required with the SGS Board Executive participating in the review and selection process.e. Exceptions to this policy include purchasing:<ul style="list-style-type: none">ii. Routine SGS office supplies,iv. Equipment, repair parts for special equipment,v. Purchasing contracts under \$50,000 from approved department budgets, orvi. When a true emergency⁷ exists.f. Any changes made to the designated purchasing authorities or purchasing limits must be approved by the IM for Department Managers, and by the full SGS Board for the IM through a motion recording this decision.
Procedure	<p>a. If the complexity, scope, or risk to SGS for goods or services is high, regardless of value, the IM may proceed with an RFP process.</p>

⁷ Emergency needs are those caused by an unforeseen combination of circumstances where action may prevent the loss of life or destruction of SGS property. When an emergency occurs and immediate action is necessary, all procedures are voided to facilitate the quickest action possible to prevent loss of life or property. The IM will brief the SGS Board as soon as possible after the emergency has passed.



	<p>b. SGS 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.</p> <p>c. The IM will ensure that an annual qualified suppliers list is developed of St'at'inc members, communities, and/or majority owned businesses who will be included in the RFP process.</p> <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">i. Tender instructionsii. Tender and Contract formiii. General Conditionsiv. Contractor Statement of Qualifications and Insurancev. Timing and key deadlines/statement of work plan and specificationsvi. Key deliverables expectedvii. Proposed evaluation criteriaviii. Payment Schedule and holdbacks, if anyix. Percentage of St'at'inc and/or Aboriginal ownershipx. Other important terms or conditions, andxi. Contract agreement that includes general conditions and terms of payment <p>e. All quotes submitted by competing vendors will be kept confidential.</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 IM deems it to be in the best interest of SGS to accept a higher tender proposal, because it:</p> <ul style="list-style-type: none">i. Provides a better quality product or service; orii. Provides economic benefits to SGS or its members. <p>The IM must document the reasons for the decision to accept the higher tender, and report this policy contravention to the SGS Board.</p>
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2.15.4. Purchase Orders

Purchase orders are required to ensure that all purchases are authorized, accurately recorded in the SGS accounts, and that 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">i. Initiating a purchase orderii. Receiving goods or servicesiii. Payment <p>b. Purchase orders (see appendices for template) will contain, at a minimum:</p> <ul style="list-style-type: none">i. Name and address of the vendorii. Description of the item or serviceiii. Quantity to be purchasediv. Total cost of the purchasev. Expected receipt datevi. General ledger code used when recording the expense, and
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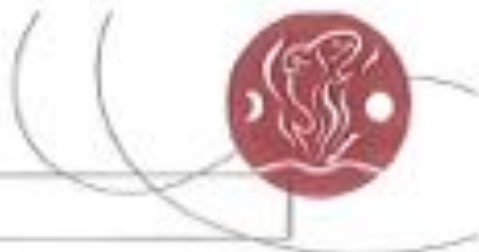
- vi. Initials of the purchaser, as an indication of authorization.
- c. Purchase Order forms shall be assigned sequential numbering related to the department's financial coding, as identified and tracked by the Finance Department.
- d. The Finance Department will provide Department Managers with current charts of accounts for their programs to assist with account coding purchase orders.
- e. Department Managers with purchasing authority shall only authorize purchases relating to the program budgets for which they are responsible.
- g. Under no circumstances are the purchasing limits of each authority to be circumvented through the use of two (2) or more purchase orders to commit funds to purchase any one (1) item or service.
- h. A purchase made without utilizing a purchase order is an unauthorized purchase. Unauthorized purchasing circumvents the budget financial system and approval procedures for purchases.
- i. All goods and services received will be thoroughly evaluated upon receipt, and recorded as received on the purchase order by the Department Manager or IM, noting the date and time received. Any variance in the order made compared to the goods/services received must be immediately addressed by the Department Manager or IM who is responsible for resolving the situation. If resolution is not timely or in accordance with the terms of purchase, the Department Manager or IM is responsible for immediately notifying the Finance Department to negotiate payment.
- j. Payment for all good and services purchased in accordance with SGS policy will be made according to the supplier terms. These terms may be negotiated by the Department Manager or IM, and must be identified on the invoice.
- k. Cheque runs should be prepared on a regular basis, as determined by the Finance Department and approved by the IM.
- l. A pre-cheque register shall be prepared by the Finance Department. The pre-cheque register shall list the following information for each cheque that is to be prepared:
 - i. Payee
 - ii. Amount
 - iii. Invoice numbers and invoice amounts that are being paid
- m. The Finance Department shall review the pre-cheque register to verify that only due invoices will be paid during the cheque run. The Finance Department Manager shall initial the pre-cheque register as an indication of review.
- n. The Finance Department will prepare cheques based on the pre-cheque register.
- o. 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.
- p. The printed cheque and related accounts payable coding voucher will be matched together to form a payment voucher.
- q. Prior to signing the cheques, the payment voucher shall be reviewed by two (2) signing authorities.
- r. Cheque signers shall review the payment voucher to ensure that the documentation is accurate and complete.
- s. Signed cheques will be mailed on the day of signature.



	<ul style="list-style-type: none">l. The cheque and one (1) copy of the cheque advice shall be forwarded to the vendor.u. The second copy of the cheque advice shall be attached to the completed payment voucher.v. The completed payment voucher will be stamped "PAID" by the Finance Department and filed alphabetically by vendor name.w. A finalized cheque register shall be prepared by the Finance Department and kept on file.x. 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.y. 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.z. SGS 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 voided and a stop payment ordered. Another cheque may be issued upon request of the payee.aa. The Finance Department will prepare adjusting entries to reverse voided, stale-dated, and spoiled cheques on a timely basis.
Procedure	<ul style="list-style-type: none">a. The IM will ensure that all suppliers for SGS goods and services are notified of this policy and that the appropriate accounts, terms and conditions are agreed upon with SGS (IM, Finance Department, and Department Manager) and supplier.b. Suppliers and the Staffing suppliers list will be reviewed annually with the IM and Department Manager to ensure SGS has the highest quality and best costs.c. Requisitions must be clear, specific and detailed.d. Purchase orders will be rejected for the following reasons:<ul style="list-style-type: none">i. Insufficient informationii. PO form not properly filled outiii. Incorrect approvaliv. Nonconformance with existing, approved budgete. Processing time is two (2) working days to receive IM approvals for purchases.

2.15.5. Contract Renewal

Policy	<ul style="list-style-type: none">a. The IM has the discretion to renew contracts of up to \$100,000.b. For contracts \$100,000 and above, the renewal must be approved by the SGS Chair and/or Executive.
Procedure	<ul style="list-style-type: none">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.

2.15.6. Payroll Controls

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

Policy	<ol style="list-style-type: none">The IM is responsible for ensuring a hiring form is completed for each new employee that specifies the employee's name, salary and salary coding (per the salary grid), and start date.Employees must complete their own timesheets accurately on a bi-weekly basis, with the Department Manager 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 Finance Department.The Department Manager is responsible for finalizing employee performance reviews and ensuring the Finance Department has a copy of the Financial Payroll Notification Form (see appendices).For Direct Deposit payroll payments, the Finance Department 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.
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2.16. Petty Cash

Occasionally, SGS 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	<ol style="list-style-type: none">The IM will ensure that a petty cash fund of \$200.00 is established.The Receptionist will be the petty cash custodian, responsible for dispensing petty cash when needed, in exchange for an original signed and account coded receipt for the disbursement amount (see appendices for Petty Cash).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.The Receptionist will ensure that the petty cash funds are stored in a locked box in a locked drawer at reception, with any additional access keys being held only the IM.A general ledger entry shall be made by the Finance Department to debit petty cash, and credit the main cash account.When petty cash runs low, the Receptionist will complete a purchase order with the petty cash receipts attached for the amount to be replenished, and approved by the IM.This purchase order will be coded by the Receptionist with the appropriate
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general ledger expense account codes, and recorded as debits to the expense codes and a credit to cash.

- h. The fil will verify the amount of the petty cash fund regularly.