

PROCEDURE FOR FIN 01: Financial Administration

1.0 Preamble

This procedure sets out how the policies in SKG's policy concerning Financial Administration (FIN 01) shall be put into effect.

Requirements of this procedure must be read in the context of related provisions of the policy.

2.0 Definitions

"Director of Operations" means the senior executive in SKG responsible for financial administration, regardless of the title of that position.

"SKG" means Shingwauk KinooMaage Gamig.

3.0 Budget

3.1 Budgeting cycle

The Director of Operations shall strive to present a budget for approval of the board before the beginning of the fiscal year to which the budget relates.

- It is recognized that significant revisions to the annual budget may be required in-year to respond to changed circumstances (for example, changes in operating grants from the Ministry of Colleges and Universities, or project grants from funders).
- Where anticipated revenue and/or expenditures are expected to vary materially from the approved budget, the Director of Operations shall present a revised budget to the board for approval.

The Director of Operations shall strive to present year-to-date reports concerning revenues and expenditures to the board. Year-to-date reports shall:

- Be provided (at a minimum) after each quarter of the fiscal year,
- Be provided as soon as practicable after the period addressed in the report,
- Show variances from amounts in the budget approved by the board, and
- Provide explanations for significant variances from the budget that the board approved before the beginning of the fiscal year to which the budget relates.

3.2 Board approval of variances

The Director of Operations shall present a revised budget to the board where an item in the budget previously approved by the board shows a variance of expenditure or revenue (as applicable) of greater than 25 percent from the budgeted amount.

- This requirement applies only to variances affecting line items with material impact on total expenditures or revenue.

4.0 Authorization of expenditures

4.1 Board appointment of authorizing directors

The board shall appoint a minimum of three directors who are authorized to approve commitment of funds and financial transactions, where this procedure requires authorization of directors.

- One of these directors shall be the chair of the board.

4.2 Approvals of commitment of funds

Commitment of funds includes but is not limited to requisitions and purchase orders, and contracts.

All commitments of funds shall be approved only by authorized individuals.

All commitments of funds shall be consistent with the approved budget of the department or program making the commitment.

Authority for commitments of funds is established in the following table.

Commitments of	May be authorized by
Up to \$10,000	Either the Director of Operations or the Director of Academics, Whichever is responsible for the department or program to which the expenditure will be charged.
Between \$10,000 and \$50,000	1. One of the Director of Operations, OR the Director of Academics (whichever is responsible for the department or program to which the expenditure will be charged); And 2. One of the directors on the board of governors with signing authority.

Commitments of	May be authorized by
Over \$50,000	1. The Director of Operations And 2. One of the directors on the board of governors with signing authority, Where the specific commitment is authorized by a motion of the board.

4.3 Signing authorities for payments and other banking transactions

Every banking transaction and payment by other means must be authorized by at least two individuals, as established in the following table.

Opening or closing of banking accounts	1. Chair of board, and 2. Director of Operations, Where authorized by a motion of the board.
Designation of signing authority	1. Chair of board, and 2. Director of Operations, Where authorized by a motion of the board.
Authorization of specific transactions:	
Up to \$10,000	1. Director of Operations and 2. Director of Academics
Between \$10,000 and \$50,000	1. Director of Operations and 2. One of the directors on the board of governors with signing authority.

Over \$50,000	<ol style="list-style-type: none"> 1. Director of Operations and 2. One of the directors on the board of governors with signing authority, <p>Where the specific transaction is authorized by motion of the board.</p>
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No individual, whether an employee of SKG or a director on the board of governors, shall approve a payment of which they are a recipient. Where this conflict would occur, two other signatories authorized by the board shall approve the payment.

5.0 Competitive procurement

This section sets out a framework for competitive procurement that meets the requirement for such a framework set out in SKG’s policy FIN 01 Financial Administration.

The following framework shall apply to large purchases of goods and services:

- Approvals of commitments and purchases shall be governed by the provisions set out in the above section of this procedure addressing authorization of expenditures.
- Requirements for processes to determine a vendor, varying by dollar value of the procurement, are set out in the tables below.

5.1 Thresholds for competitive procurement of goods

Cost of goods	Requirement
Between \$500 and \$5,000	<p>The budget holder shall provide documentation concerning alternative suppliers and/or products that were considered, and reasons for the recommended purchase.</p> <p>Individuals authorized to commit to the purchase shall review this documentation before approving the purchase.</p>
Over \$5,000	<p>The budget holder shall obtain at least three quotes from suppliers.</p> <p>Individuals authorized to commit to the purchase shall review these quotes before approving the purchase.</p>

5.2 Thresholds for competitive procurement of services

Cost of services	Requirement
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Up to \$4,999	<p>The budget holder shall provide documentation concerning alternative suppliers that were considered, and reasons for the recommended vendor.</p> <p>Individuals authorized to commit to the purchase shall review this documentation before approving the purchase.</p>
Between \$5,000 and \$20,000	<p>SKG shall either issue an invitation to at least three suppliers to bid on a contract or issue an open request for proposals.</p> <p>Individuals authorized to commit to the purchase shall review the bids of potential vendors before approving a bid from a vendor.</p>
Between \$20,000 and \$50,000	<p>SKG shall issue an open call for proposals from vendors.</p> <p>Individuals authorized to commit to the purchase shall review the bids of potential vendors before approving the purchase.</p> <p>The Director of Operations shall provide a report to the board for information concerning the award of the contract that includes an explanation of reasons for the choice of a bid from a vendor.</p>
Over \$50,000	<p>SKG shall issue an open call for proposals from vendors.</p> <p>Individuals authorized to commit to the purchase shall review the bids of potential vendors before recommending the selection of bid to the board.</p> <p>The Director of Operations shall provide a report to the board seeking approval of the award of the contract that includes an explanation of reasons for the choice of vendor.</p>

6.0 Petty cash

Wherever practicable, expenditures should be made through electronic fund transfers or cheques.

No disbursement greater than \$100 shall be made from petty cash.

An officer or employee responsible for disbursements of petty cash shall:

- Maintain a complete and accurate record of disbursements, and
- Ensure that receipts are provided and retained with the record of disbursements.

7.0 Records retention

SKG's financial records shall be retained for a minimum of seven years from the date of each record's creation.

8.0 Approval of this procedure

This procedure and revisions to it shall be reviewed and approved by the board before taking effect.

9.0 Responsible Officer

Director of Operations

10.0 Version history

Approved by:	Board
Original Approval Date:	February 9, 2023
Current Approval Date:	February 9, 2023
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