



Finance Policies, Procedures and Guidelines

**Approved March 21, 2013
Revised April 25, 2019**

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QUEST COMMUNITY HEALTH CENTRE
Finance Policies/Procedures and Guidelines

March 21, 2013
Revised April 25, 2019

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Introduction: Policy and Procedure Document Format	Policy Approved By: N/A
Section: Finance Policies	Date of Approval: N/A
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1.0 INTRODUCTION

The purpose of this Statement of Policy and Procedure is to make sure that individuals responsible for developing statements of Policy and Procedures use the identical format, so that the document may be readily identifiable by users as a document that governs the financial practices of Quest CHC.

2.0 SCOPE

The Statement of Policy and Procedure applies to every person who is assigned the task of developing policy and procedure documents.

3.0 POLICY/PROCEDURE

Each page shall contain a header similar to that shown on this page

Each policy document shall contain the following headings:

- 1.0 Introduction
- 2.0 Scope
- 3.0 Policy/Procedure
- 4.0 Related Quest Finance Policies
- 5.0 Related Quest Forms
- 6.0 Other References and Additional Information
- 7.0 Policy Contact

4.0 RELATED QUEST FINANCE POLICIES

Related policies are listed and items that are cross-referenced are shown in a blue type face.

5.0 RELATED QUEST FORMS

Note: Relevant Quest forms are referenced, but not included in this manual.

6.0 OTHER REFERENCES AND ADDITIONAL INFORMATION

7.0 POLICY CONTACT

Executive Director

Introduction: By-laws and Governance Polices	Policy Approved By: N/A
Section: Finance Policies	Date of Approval: N/A
Accreditation Issue: N/A	Date of Next Review: N/A

1.0 INTRODUCTION

Quest's By-laws and Governance Policies, which are contained in the Board Manual, describe the Board's role with respect to financial matters and provide for the Board's operational oversight of finance as well as other areas of operations. Governance Policies also provide for delegation of certain responsibilities to the Executive Director.

2.0 SCOPE

Board and staff

3.0 POLICY/PROCEDURE

Articles in the By-laws that speak to the board's role in financial matters include:

- Article Five: Board of Directors
 - 5.5. Authority and Powers of the Board of Directors
- Article Six: Officers of the Corporation
 - 6.2 Officers of the Corporation
 - 6.3 Duties of the Officers
- Article Eleven: Execution of Instruments
 - 11.1 Signing Officers
 - 11.2 Instruments in Writing
- Article Twelve: Fiscal Affairs
 - 12.1 Banking
 - 12.2 Borrowing
 - 12.3 Fiscal Year
- Article Thirteen: Auditor
 - 13.1 Appointment
 - 13.2 Remuneration
 - 13.3 Removal

The Governance Policies that speak to financial matters are:

- B – Board Self-Governance Policies
 - B 3 Officers' Roles
 - B 3.1 Chair
 - B 3.2 Vice Chair
 - B 3.3 Secretary or Secretary-Treasurer
 - B 3.4 Treasurer or Secretary-Treasurer
 - B 8 Committees and Working Groups
 - B 8.2 Finance Committee

- C – Operational Oversight Policies
 - C 1 Board-Executive Director Relationship
 - C 1.1 Board-Executive Director Relationship
 - C 1.2 Delegation to the Executive Director
 - C 1.3 Executive Director Job Description
 - C 1.4 Monitoring Executive Director Performance
 - C 2 Executive Limitations
 - C 2.1 General Executive Constraints
 - C 2.2 Compliance with Legislation
 - C 2.3 Communication and Counsel to the Board
 - C 2.8 Compensation and Benefits
 - C 2.9 Financial Planning
 - C 2.10 Financial Condition
 - C 2.11 Financial Limitations

4.0 RELATED QUEST FINANCE POLICIES

- Quest's Finance Policies are aligned with the organization's By-laws and Governance Policies

5.0 RELATED QUEST FORMS

N/A

6.0 OTHER REFERENCES AND ADDITIONAL INFORMATION

N/A

7.0 POLICY CONTACT

Executive Director

A. Annual Budget	Policy Approved By: Board of Directors
Section: Finance Policies	Date of Approval: March 21, 2013
Accreditation Issue:	Date Revised: April 25, 2019
	Date of Next Review: April, 2022

1.0 INTRODUCTION

The Board of Directors of Quest Community Health Centre will approve the annual budget for the coming fiscal year prior to the end of the current fiscal year. The approved budget will be used to monitor and evaluate Quest's financial progress throughout the fiscal year.

2.0 SCOPE

Board of Directors, Management Team, and Administrative and Financial Staff.

3.0 POLICY/PROCEDURE

Each year, the Executive Director and designated staff will prepare a first draft budget for the coming fiscal year, which will include projected expenditures under agreed expense headings and categories for review by the Finance Committee.

No later than the last day of February of the current fiscal year, the Board of Directors will review and make all necessary amendments to the draft budget

No later than the last day of March, the Board of Directors will approve the budget for the next fiscal year.

The budget, as approved by the Board, will be used throughout the year, with any significant changes covered in variance reports to the Financial Statements.

4.0 RELATED QUEST FINANCE POLICIES

For related Quest finance policies, see:

- Community Accountability Planning Submission (CAPS)
- Surplus Reallocation for Funded Programs

5.0 RELATED QUEST FORMS

N/A

6.0 OTHER REFERENCES AND ADDITIONAL INFORMATION

7.0 POLICY CONTACT

Executive Director

B. Cheque Signing	Policy Approved By: Board of Directors
Section: Finance Policies	Date of Approval: March 21, 2013
Accreditation Issue:	Revised: April 25, 2019
	Date of Next Review: April, 2022

1.0 INTRODUCTION

Quest Community Health Centre is committed to ensuring that appropriate financial controls are in place.

2.0 SCOPE

Board of Directors, Management Team, and Administrative and Financial Staff.

3.0 POLICY

This policy is intended to guide cheque-signing at Quest that provides for the efficient payment of creditors consistent with Generally Accepted Accounting Principles while still respecting the important oversight role of the Board.

Bylaws

The topic of signing officers is addressed by Quest's Bylaws (Sections 11.1 and 11.2). The Bylaws provide for any two of the Chair, Vice Chair, Secretary, Treasurer or "any other Officer whom the Board may designate acting together" to sign "all instruments in writing".

An instrument in writing includes cheques.

In addition, the Bylaws give the Board of Directors the authority "to appoint any other Officer or Officers or any person or persons on behalf of the Corporation either to sign instruments in writing generally or to sign specific instruments in writing".

Delegation of Authority

This policy is intended to deal specifically with cheque-signing rather than instruments in writing in general.

Under this policy, the Board delegates the authority to Quest's Executive Director, Program Director and Finance Consultant, any two acting together, to sign cheques for expenses authorized within the budget up to a maximum of \$10,000 with the exception that the Executive Director, Program Director and Finance Consultant may also sign regular rent cheques, Greenshield cheques and North Hamilton Community Health Centre quarterly IT support cheques.

Cheques over \$10,000 with the exception of the regular rent cheques, Greenshield cheques and North Hamilton Community Health Centre quarterly IT support cheques noted above will require the signature of at least one of Chair, Vice Chair, or Secretary/Treasurer.

All cheques signed under this delegation of authority must contain two signatures.

If the Executive Director, Program Director or Finance Consultant is absent, then cheques in the amounts described under “Delegation of Authority” (above) must also be signed by one of the following Board Signing Officers: Chair, Vice Chair, or Secretary/Treasurer of the Board.

If the Executive Director and the Program Director and the Finance Consultant are absent, then cheques in the amounts described under “Delegation of Authority” (above) must be signed by any two of the following Board Signing Officers: Chair, Vice Chair, and/or Secretary/Treasurer of the Board.

Exception

Under no circumstances may a signing officer (whether a Board Officer or delegated signing officer in a staff position) co-sign a cheque that is payable to herself/himself.

Bank Rules

All signing officers agree to comply with bank rules.

4.0 RELATED QUEST FINANCE POLICIES

For related Quest finance policies, see:

- Separation of Duties

5.0 RELATED QUEST FORMS

N/A

6.0 OTHER REFERENCES AND ADDITIONAL INFORMATION

N/A

7.0 POLICY CONTACT

Executive Director

C. Community Accountability Planning Submission (CAPS)	Policy Approved By: Board of Directors
Section: Finance Policies	Date of Approval: March 21, 2013
Accreditation Issue:	Date Revised: April 25, 2019
	Date of Next Review: April, 2022

1.0 INTRODUCTION

A Community Accountability Planning Submission (CAPS) is developed within the timelines outlined by the Hamilton Niagara Haldimand Brant Local Health Integration Network (LHIN). Typically this occurs at the beginning of the third quarter.

2.0 SCOPE

Board of Directors, Management Team, and Financial Staff.

3.0 POLICY/PROCEDURE

The CAPS is approved by the Board of Directors and is used to monitor and evaluate the financial progress of Quest Community Health Centre throughout the fiscal year to which the CAPS applies.

The Executive Director will elicit input from Quest's Management Team in order to prepare the CAPS for review by the Finance Committee by the deadline outlined by the LHIN.

The Board of Directors will provide feedback on the CAPS, which the Executive Director will include in a final draft of the CAPS, for recommendation to the Board

The Board of Directors will ensure they provide timely feedback to meet the LHIN deadline for submission.

The CAPS, as approved by the LHIN, will be used throughout the year, with any significant changes covered in a variance report to the Financial Statements.

4.0 RELATED QUEST FINANCE POLICIES

For related Quest finance policies, see:

- Annual Budget
- Surplus Reallocation for Funded Programs

5.0 RELATED QUEST FORMS

N/A

6.0 OTHER REFERENCES AND ADDITIONAL INFORMATION

7.0 POLICY CONTACT

Executive Director

D. Corporate Credit Card	Policy Approved By: Board of Directors
Section: Finance Policies	Date of Approval: March 21, 2013
Accreditation Issue:	Date Revised: April 25, 2019
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1.0 INTRODUCTION

This document sets out policy covering the allocation and use of corporate credit cards by Quest employees. The document also outlines the process for dealing with monthly card holder statements.

2.0 SCOPE

Management Team and Administrative and/or Finance Staff.

3.0 POLICY/PROCEDURES

Allocation of Corporate Credit Cards

Corporate credit cards will only be issued to senior managers and administrative staff identified by the Executive Director.

The Administrative Coordinator will maintain a Register of Card Holders. This register will record the details listed below, and will be signed by the card holder to acknowledge receipt of the card:

- the name of each card holder
- card account number
- credit limit and any other cash withdrawal limits (where established)
- card expiry date.

Card Holder Responsibilities

When taking delivery of a card each card holder is to be provided with a Statement of Responsibilities that is to be signed by the card holder to acknowledge their understanding of the conditions under which the credit card is to be used. The card holder is to retain a copy of this schedule. The original copy will be attached to the Register of Card Holders.

This Statement of Responsibilities is to include the following conditions:

- Individuals issued with a corporate credit card are in a position of trust in regards to the use of public funds. All expenditures charged to a credit card are subject to examination and approval by the Executive Director to ensure its appropriateness and compliance with the policy conditions stated in this policy. Improper use of that trust will result in the card being withdrawn and render the card holder liable to disciplinary and possible legal action
- Credit cards are only to be used for official business purposes (as outlined in this policy). Where inappropriate expenditure occurs, the value of the expenditure may be recovered from the card holder
- Credit cards are only to be used by the person whose name appears on the card or with that person's documented approval

- The card holder is personally responsible and accountable for the safekeeping of the card. Cards are to be kept secure and protected against improper use
- In the event that a card is lost or stolen, the card holder must report the loss immediately to card provider. The Administrative Coordinator is also to be advised at the earliest opportunity
- Any PIN that has been issued with the card (where cash withdrawals are permitted) must not be disclosed or carried with the card
- Monthly Card Holder Statements are to be approved for payment in a timely fashion that whereby the card holder ensures all costs incurred are related to Quest business
- All transaction slips are to be retained and submitted by the card holder when acquitting monthly Card Holder Statements
- Where no documentation is available to support a particular transaction the card holder will be required to provide a declaration detailing the nature of the expense and that is business related
- Credit limits are not to be exceeded
- Cash withdrawals are not permitted
- Deposits are not to be made to the card account by the card holder
- In the event of termination of employment, card holders will immediately return the credit card and ensure the credit card account is properly reconciled and acquitted.

Acceptable Use Of Corporate Credit Cards

Listed below are examples of the type of official expenditure that can be incurred using a Corporate Credit Card:

- Domestic travel related expenses, including – taxi fares, parking expenses, actual cost of meals (up to the limits specified by Quest policies and procedures), accommodation and rental cars (including the purchase of gas)
- Prepayment of course / conference fees
- Infrequent purchase of low value / routine business related consumables items.

4.0 RELATED QUEST FINANCE POLICIES

For related Quest finance policies, see:]

- Annual Budget
- Expense Advances
- Procurement
- Purchases, Receipts and Disbursements
- Travel Expense Claims

5.0 RELATED QUEST FORMS

N/A

6.0 OTHER REFERENCES AND ADDITIONAL INFORMATION

7.0 POLICY CONTACT

Executive Director

E. Donations	Policy Approved By: Board of Directors
Section: Finance Policies	Date of Approval: April 25, 2019
Accreditation Issue:	Date of Next Review: April, 2022

1.0 INTRODUCTION

Quest CHC is registered as a Charitable Institution which permits it to issue a numbered receipt for tax credit purposes to persons making donation to the Centre. Official tax receipts shall be issued in accordance with the regulations set out by the Canada Revenue Agency. A tax receipt, equivalent to the fair market value of a donated good, will be issued for gifts in kind.

2.0 SCOPE

Executive Director, and Administrative and Financial Staff.

3.0 POLICY/PROCEDURE

1. A permanent record of all financial gifts donated and accepted by the Health Centre shall be maintained. At the minimum each record will include the date the gift was received, the full name and address of the donor, the nature of the donation, and the number of the tax receipt issued for the donation.
2. A thank you letter will accompany all tax receipts mailed to donors. This formal acknowledgement shall be made no later than ten working days from the date that the gift was received.
3. Blank tax receipts shall be kept on site and in a secure place. Access to the tax receipts shall be restricted to the Executive Director, Financial Consultant and the Administrative Coordinator.
4. All numbered tax receipts must be accounted for. Spoiled tax receipts shall be marked void and kept in a secure place for a minimum of seven calendar years from the date of the occurrence. A written report will be required whenever a numbered receipt is missing. The report will include the number of the missing tax receipt, the date that the loss occurred, or was discovered, and an explanation of the loss. The report will be signed by the Executive Director.
5. Tax receipts shall not be backdated.
6. A tax receipt shall be issued for each donation in excess of ten dollars. Tax receipts will be issued for lesser amounts if requested by the donor.
7. A reconciliation of donations received, and tax receipts issued, shall be prepared for the annual charity return.
8. The Health Centre will file a Registered Charity Information Return as per the Canada Revenue Agency guidelines. The Registered Charity Information Return will be

completed by the Finance Consultant and reviewed and signed by the Executive Director.

9. Documentation supporting the amount reported by the Registered Charity Information Return shall be kept in a safe place for a minimum of seven calendar years from the day that the tax receipt was issued

4.0 RELATED QUEST FINANCE POLICIES

Fundraising Policy

5.0 RELATED QUEST FORMS

Tax Receipts
Gift Donation Recording Form

6.0 OTHER REFERENCES AND ADDITIONAL INFORMATION

7.0 POLICY CONTACT

Executive Director

F. Expense Advances	Policy Approved By: Board of Directors
Section: Finance Policies	Date of Approval: March 21, 2013
Accreditation Issue:	Date Revised: April 25, 2019
	Date of Next Review: April, 2022

1.0 INTRODUCTION

The purpose of this policy/procedure is to provide guidance to management and staff in situations where a Board member or an employee may make a large purchase on behalf of Quest from the employee's own funds. This may include travel and related expenses.

2.0 SCOPE

Board of Directors, All Staff

3.0 POLICY/PROCEDURE

All expenses, whether travel-related or other must be approved in advance by the appropriate member of the Management Team.

The Board Chair approves in advance all expenses to be incurred by the Executive Director and board members.

The Secretary-Treasurer or Vice Chair approves the Board Chair's expenses in advance.

Quest may provide an individual with an expense advance when the individual is required to spend a large amount of money in the execution of their duties.

The advance must be approved by the appropriate authority as noted above via a note to the Administrative Coordinator or a cheque requisition. The Administrative Coordinator will produce a cheque payable to the individual in the amount of the advance.

The individual must keep and submit a receipt of expenses incurred along with a statement of expenses for the approval of the appropriate authority as described above.

Any difference between the amount advanced and the amount of approved expenses will be reimbursed by Quest (in the case of an expense greater than the advance), or the individual (in the case of the advance being greater than the expense), by cash or personal cheque at the time the expense claim is submitted.

4.0 RELATED QUEST FINANCE POLICIES

For related Quest finance policies, see:

- Corporate Credit Card
- Petty Cash

- Procurement
- Purchases, Receipts and Disbursements
- Separation of Duties
- Travel Expense Claims

5.0 RELATED QUEST FORMS

N/A

6.0 OTHER REFERENCES AND ADDITIONAL INFORMATION

7.0 POLICY CONTACT

Executive Director

G. Financial Information Distribution to External Third Parties	Policy Approved By: Board of Directors
Section: Finance Policies	Date of Approval: April 25, 2019
Accreditation Issue:	Date of Next Review: April, 2022

1.0 INTRODUCTION

From time to time the Health Centre will be requested to supply financial information to third parties. Without restricting the generality of the foregoing, such a request may help ensure compliance with a license that the Health Centre is a party to, or may be needed to satisfy the terms of a funding application. In all instances, and regardless of the form it takes, the Executive Director must first approve of the distribution of financial information before it is released. Quest will ensure that there is adequate segregation of responsibilities for roles involving financial transactions. For transactions or roles that do not have a segregation of duty, adequate compensating controls will be put in place and documented.

3.0 SCOPE

Executive Director, Management Team and Financial Staff.

3.0 POLICY/PROCEDURE

If a Third Party requires such financial information, the employee shall complete a Request for Information form. The purpose and the intended use of the requested material, and the source of the request, shall be made clear on the form.

If required in a form other than the Audited Financial Statements, the Executive Director/Finance Consultant shall prepare the financial information in the format required and submit it to the Executive Officer (as appropriate) for review and approval (a) The information should be clearly marked audited or unaudited, as appropriate. (b) The following statement should accompany un-audited information: "The Health Centre will not be held responsible by any third party who relies on information contained in un-audited statements" The Executive Director shall authorize distribution of the information by initialing the Health Centre's Request for Information Form.

4.0 RELATED QUEST FINANCE POLICIES

N/A

5.0 RELATED QUEST FORMS

Request for Information Form

6.0 OTHER REFERENCES AND ADDITIONAL INFORMATION

N/A

7.0 POLICY CONTACT

Executive Director

H. Financial Statements and Annual Audits	Policy Approved By: Board of Directors
Section: Finance Policies	Date of Approval: March 21, 2013
Accreditation Issue:	Date Revised: April 25, 2022
	Date of Next Review: April, 2022

1.0 INTRODUCTION

Monthly summary financial statements are provided to the Quest Board of Directors on a monthly basis, reflecting activities from the previous month. Quarterly Financial Statements are provided to the Quest Board of Directors on a quarterly basis, reflecting activities for the previous quarter.

An external audit is contracted annually so as to provide an independent opinion of the Quest Community Health Centre's financial well-being.

2.0 POLICY/PROCEDURE

The Executive Director forwards detailed monthly financial statements to the Finance Committee for review and recommendation to the Board of Directors for approval. The Executive Director provides the detailed financial statements to the Board for the last month of each quarter – i.e., June, September, December and March. In addition, the Executive Director provides summary financial statements to the Board of Directors for review and approval at all other monthly Board meetings.

These statements report the period's actual revenues and expenses, the year-to-date budget amount, a variance column showing the difference between the actual amounts and the year-to-date budget amounts, and the whole of the annual budget. Significant variances are noted and explained.

Financial staff prepare Quest's annual financial statements. Subsequent to the completion of the annual financial statements, and within 90 calendar days of the fiscal year-end, an independent audit is completed. A certified chartered accountant prepares the audited financial statements. The selection and the approval of the auditor takes place during the prior year's Annual General Meeting (AGM).

All receipts, statements, cheques, Board minutes and other required information is organized after year-end by financial/administrative staff and made available to the auditor.

A summary of audited financial statements is provided to all Quest members who attend the Annual General Meeting and incorporated in Quest's Annual Report available on the Quest web site. The Secretary-Treasurer, auditor or designate reviews the statements with the members present, and a vote to accept the report is held with the results of the vote recorded in the AGM minutes.

THE SECRETARY-TREASURER PRESENTS ANY RECOMMENDATIONS MADE BY THE AUDITOR TO THE BOARD OF DIRECTORS AT A REGULARLY SCHEDULED MEETING. RECOMMENDATIONS ARE DISCUSSED AND ADOPTED IN PRINCIPLE BY THE BOARD OF DIRECTORS IF DEEMED APPROPRIATE 4.0

Related Quest finance policies

For related Quest finance policies, see:

- Annual Budget

5.0 RELATED QUEST FORMS

N/A

6.0 OTHER REFERENCES AND ADDITIONAL INFORMATION

7.0 POLICY CONTACT

Executive Director

I. Fixed Assets – Amortization	Policy Approved By: Board of Directors
Section: Finance Policies	Date of Approval: March 21, 2013
	Date of Review: April 25, 2019
Accreditation Issue:	Date of Next Review: April, 2022

1.0 INTRODUCTION

This policy/procedure establishes principles and accountabilities for the amortization of fixed assets.

2.0 SCOPE

Executive Director, Administrative and/or Finance Staff.

3.0 POLICY/PROCEDURE

Responsibility

It is the responsibility of the auditor to calculate and apply amortization annually.

Definitions

“Fixed Asset” – a fixed asset is equipment which is not consumed in the process of use, has a life expectancy of greater than one year or as otherwise stated, and has a value of five thousand (\$5,000) dollars or more.

It also includes a capital project – i.e., a building or project that is valued at \$5,000 or more including the costs of consulting fees, etc. and has a useful life greater than one year.

“Amortization” means the spreading of the acquisition cost of fixed assets over their useful economic lives. It is also referred to as depreciation.

Amortization Methods

Quest Community Health Centre will identify appropriate assets to be amortized, , in the year of acquisition. Land assets must not be amortized.

The auditor will amortize the capital asset based on general accounting principles

Amortization Records

The auditor will retain a record of the assets on hand to support the amortization calculations and provide a copy to Quest for their records

4.0 RELATED QUEST FINANCE POLICIES

For related Quest finance policies, see:

- Fixed Assets – General

5.0 RELATED QUEST FORMS

N/A

6.0 OTHER REFERENCES AND ADDITIONAL INFORMATION

7.0 POLICY CONTACT

Executive Director

J. Fixed Assets – General	Policy Approved By: Board of Directors
Section: Finance Policies	Date of Approval: March 21, 2013
	Date of Review: April 25, 2019
Accreditation Issue:	Date of Next Review: April, 2022

1.0 INTRODUCTION

This policy/procedure establishes principles to be followed to ensure the security of fixed assets and establishes standards for maintenance and reconciliation of fixed asset records. It defines the end of the economic life of an asset and provides guidance regarding disposal.

Fixed assets represent a significant investment on the part of Quest Community Health Centre. Employees are expected to safeguard the company's assets at all times. Fixed assets must be inventoried and reconciled to records annually. When assets have reached the end of their economic life, they should be disposed of in a manner that maximizes the benefit to Quest.

2.0 SCOPE

All Staff, Volunteers and Students

3.0 POLICY/PROCEDURE

Definition

A fixed asset is equipment which is not consumed in the process of use, has a life expectancy of greater than one year or as otherwise stated, and has a value of five thousand (\$5,000) dollars or more.

It also includes a capital project – i.e., a building or project that is valued at \$5,000 or more including the costs of consulting fees, etc. and has a useful life greater than one year.

Overview

All employees are responsible for reporting a missing fixed asset to their manager and financial/administrative staff immediately upon discovering that the asset is missing.

No fixed asset should be removed from Quest premises without the express permission of the responsible Management Team member.

When a fixed asset is relocated, fixed asset records must be updated by means of a memo to financial/administrative staff.

Financial staff are responsible for maintaining fixed assets records and initiating regular counts of fixed assets on hand for insurance purposes.

Financial staff are responsible for accounting for the disposal of fixed assets.

Fixed Asset Records

Records should contain the following information for each asset:

- Date of acquisition
- Tag number
- Description of the asset
- Department to which the asset belongs
- Acquisition costs
- Reference information and cost of related maintenance contracts
- Maintenance costs
- Date of disposal
- Proceeds from disposal.

In addition, all fixed assets and capital projects over \$5,000 should be recorded at costs (including non-refundable taxes, installation fees, designing, engineering, architectural, and legal and project management fees, freight, transportation insurance and duty).

At a minimum the records should include the following categories:

- Medical equipment
- Computer equipment
- Furniture
- Building.

Annual Inventory

Financial staff undertake an annual physical inventory or count of fixed assets which is reconciled to the fixed assets records. Any differences between the physical inventory and the asset records are investigated and records updated as to location, departments and tag numbers as appropriate.

If the difference is a shortage that cannot be explained through the reconciliation process, financial/administrative staff should request a review of physical security processes for possible breaches.

Any write-offs required as a result of these investigations must be authorized by the Executive Director.

End of Economic Life of an Asset

Assets will be considered to be at the end of their economic life when they are of no further use or potential use to Quest. For greater certainty, this will be, for example:

- When equipment or vehicles are taken permanently out of service
- When land or buildings are no longer required
- When patents expire or are superseded
- When copyrights expire
- When software is replaced.

Disposal of Assets

When assets have reached the end of their economic life, they must be disposed of in a manner that maximizes the benefit to Quest.

All departments are responsible for ensuring that maximum value is obtained upon disposal of a fixed asset.

Departments must document disposal in a memorandum or e-mail as appropriate directed to financial/administrative staff.

Proceeds from the disposal, net of costs of disposal, must be credited to the asset account for that group of assets up to the amount of the asset values less accumulated amortization. The accumulated amortization of that asset must be removed from Quest's books.

To the extent that the remaining unamortized value is greater than the proceeds from disposal, the difference shall be written off. To the extent that the proceeds exceed the recorded asset value less accumulated depreciation, the additional proceeds shall be recorded as "other income".

4.0 RELATED QUEST FINANCE POLICIES

For related Quest finance policies, see:

- Fixed Assets – Amortization

5.0 RELATED QUEST FORMS

N/A

6.0 OTHER REFERENCES AND ADDITIONAL INFORMATION

7.0 POLICY CONTACT

Executive Director

K. Fundraising Policy	Policy Approved By: Board of Directors
Section: Finance Policies	Date of Approval: April 25, 2019
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1.0 INTRODUCTION

The Health Centre believes that fundraising initiatives are not merely opportunities to gain fiscal resources for our organization, but are opportunities to build linkages and increase awareness of our services and programs among business, service agencies and individuals. We understand fundraising dollars are increasingly difficult to access and Quest Community Health Centre will take a prudent approach to ensure that our fundraising activities do not conflict with stakeholders and partners.

4.0 SCOPE

Board of Directors, Executive Director, Management Team

3.0 POLICY/PROCEDURE

The Board and Management Team shall actively seek fundraising opportunities for the Health Centre.

The Board and Management Team shall review all requests to take part in fundraising activities and identify those requests that should receive our endorsement.

The following criteria shall be used when assessing our participation in fundraising initiatives:

- a. Fundraising events/opportunities that are consistent with our values and principles- especially in terms of supporting actions that improve health, social policies and practices
- b. Fundraising initiatives should not undermine the health of the population, and in particular those with addictions
- c. Fundraising initiatives should benefit one or more of the following:
 - Quest Community Health Centre clients and/or clients
 - Communities to which the Health Centre provides service
 - Residents of the Hamilton Niagara Haldimand Brant LHIN
- d. Those who are involved in fundraising activities must declare any conflict of interest
- e. Fundraising activities cannot provide personal benefit or involve the Board in controversy or negative publicity
- f. Fundraising events, when possible, should endeavor to improve relationships with our communities.

If the above goals are in doubt, or the nature of the organization/agency is such that Quest Community Health Centre participation could involve the Board in controversy or negative

publicity, then the request shall be placed on an upcoming Board meeting for discussion and decision.

4.0 RELATED QUEST FINANCE POLICIES

Donations Policy

5.0 RELATED QUEST FORMS

N/A

6.0 OTHER REFERENCES AND ADDITIONAL INFORMATION

7.0 POLICY CONTACT

Executive Director

L. Investment Guidelines	Policy Approved By: Board of Directors
Section: Finance Policies	Date of Approval: April 25, 2019
Accreditation Issue:	Date of Next Review: April, 2022

2.0 INTRODUCTION

The security of the principal invested must be the first consideration in any investment. Although the need to maximize income is an important consideration, it should only be considered after the requirements of security and liquidity have been met. To reaffirm this principle, the Health Centre requires that its investments be held by Schedule 1 banks and a low risk profile is sought.

Whenever possible, the maturity date of the investment should be arranged so as to coincide with specific, or general operating cash requirements.

2.0 SCOPE

Board of Directors, Executive Director

3.0 POLICY/PROCEDURE

To optimize the Health Centre's financial position, the Executive Director will negotiate service charges, and interest paid on deposits and investments, with Schedule 1 banks. Such negotiations shall be on going.

All excess cash shall be invested at the direction of the Executive Director and will be limited to low, or no risk instruments, such as Guaranteed Investment Certificates or Government bonds or debentures. Investments will be limited to Schedule 1 banks or their equivalent. Investments in excess of two hundred and fifty thousand dollars, and or having a term greater than one year, will require the pre-approval of the Board of Directors.

The Ministry of Health and Long Term care requires that MOHLTC funds be placed in interest barding accounts. All related revenue from interest must be reported to the Ministry and is recoverable by the Ministry

The details of all investments shall be reported to the Board of Directors on a quarterly basis as a note on the balance sheet.

4.0 RELATED QUEST FINANCE POLICIES

N/A

5.0 RELATED QUEST FORMS

N/A

6.0 OTHER REFERENCES AND ADDITIONAL INFORMATION

7.0 POLICY CONTACT

Executive Director

M. Insurance Coverage	Policy Approved By: Board of Directors
Section: Finance Policies	Date of Approval: March 21, 2013
	Date Revised: April 25, 2019
Accreditation Issue:	Date of Next Review: April, 2022

1.0 INTRODUCTION

Quest Community Health Centre provides insurance coverage in order to fully protect its assets, its employees, volunteers, Board of Directors, visitors, and its day-to-day business activities. It does not cover a person for costs, charges, and expenses occasioned by that person's own willful neglect or default.

The purpose of this policy is to specify Quest's insurance coverage requirements and the process to update coverage from time to time.

2.0 SCOPE

Management Team and Financial Staff.

3.0 POLICY/PROCEDURE

The Executive Director is responsible for ensuring that appropriate insurance is in place.

All members of the Management Team are responsible for ensuring that financial/administrative staff are advised of changes in insurance requirements.

The Executive Director will review Quest's insurance coverage annually.

In addition, the Executive Director will review the service provided by its insurers at least every five years. The review process will include soliciting quotes from other insurance companies. Every two years the ED shall discuss the insurance requirements of the health centre with our insurance carrier

Quest will ensure that its general liability insurance coverage will be sufficient to adequately protect staff, volunteers/students, the Board of Directors and visitors, and all CHC assets.

Insurance coverage will include deductibles of at least \$2,500 to minimize the frequency of claims and the cost of coverage.

At a minimum, Quest's comprehensive insurance policy should include the following:

- third party liability coverage
- property insurance coverage to the total replacement cost of all property including the following:
 - blanket coverage
 - replacement cost on equipment
 - electronic data processing equipment, software, data and media

- tenants' improvements (if relevant)
- property of others (i.e. provided insurable interest is agreed)
- exterior glass and sign coverage
- demolition and debris removal, flood and earthquake coverage
- sewer backup coverage
- off-premise coverage
- in transit
- postage meters, negotiable instruments, or other special coverage as required
- liability insurance coverage including but not limited to the following:
 - general liability coverage for the Centre as well as for employees, volunteers and officers and directors
 - directors and officers liability coverage with a limit of \$10 million per occurrence
 - health care professional liability coverage with a limit of \$10 million per occurrence
 - crime insurance including but not limited to \$2 million for any one occurrence for loss of money, securities, other property from the fraudulent or dishonest acts committed by an employee, director or volunteer
 - wrongful dismissal coverage restricted to the legal costs incurred in the defense of an action brought against Quest.

4.0 RELATED QUEST FINANCE POLICIES

N/A

5.0 RELATED QUEST FORMS

N/A

6.0 OTHER REFERENCES AND ADDITIONAL INFORMATION

7.0 POLICY CONTACT

Executive Director

N. Petty Cash	Policy Approved By: Board of Directors
Section: Finance Policies	Date of Approval: March 21, 2013
	Date Revised: April 25, 2019
Accreditation Issue:	Date of Next Review: April, 2022

1.0 INTRODUCTION

From time to time Quest Community Health Centre is required to make cash purchases. This policy establishes the guidelines under which such transactions are to be conducted.

2.0 SCOPE

All Staff.

3.0 POLICY/PROCEDURE

A petty cash fund in the amount of five hundred dollars (\$500) is made available for the purchase of miscellaneous office materials and services for general operations of Quest.

Custody of the petty cash fund will reside with the Executive Assistant, or designate of the Executive Director. The Administrative Coordinator will access petty cash for individuals requesting withdrawals if the Executive Assistant is not available.

Individual withdrawals from the fund shall not exceed fifty dollars (\$50) per voucher.

All petty cash expenditures must be accompanied by an original receipt or Petty Cash Voucher, which is kept with the petty cash fund.

All expenditures using Petty Cash must be authorized by the Executive Assistant. This authorization may occur at the time that the petty cash fund is replenished.

The petty cash fund will be reconciled on a monthly basis by the Administrator Coordinator and replenished as required by the Executive Assistant.

Periodically and without notice, the Financial Consultant will reconcile the petty cash fund.

4.0 RELATED QUEST FINANCE POLICIES

For related Quest finance policies, see:

- Expense Advances

5.0 RELATED QUEST FORMS

For related Quest forms, see:

- Petty Cash Voucher

6.0 OTHER REFERENCES AND ADDITIONAL INFORMATION

7.0 POLICY CONTACT

Executive Director

O. Procurement	Policy Approved By: Board of Directors
Section: Finance Policies	Date of Approval: March 21, 2013
Accreditation Issue:	Date Revised: April 25, 2019
	Date of Next Review: April, 2022

1.0 PURPOSE

The purpose of this policy is to outline the procurement policies and procedures followed by Quest Community Health Centre. These policies are consistent with current legislation and the requirements of the Hamilton Niagara Haldimand Brant Local Health Integration Network.

2.0 SCOPE

All Staff.

3.0 POLICY STATEMENT

Any supplies, equipment and services valued at over \$25,000 must be acquired through a competitive process that ensures the best value for funds expended.

4.0 APPROVAL AUTHORITIES

The Executive Director has approval authority for all non-competitive procurement decisions for Quest.

- (i) The board has authorized the Executive Director to approve all expenses up to \$10,000 related to capital/contracts
- (ii) The Executive Director and the Board Chair must approve expenses/contracts over \$10,000 and up to \$25,000
- (iii) Expenses over \$25,000 require initial approval of the Executive Director who will take the matter to the Board Chair. The board as a whole must then approve the expenditure.

5.0 ALL PROCUREMENTS

All procurements (competitive and non-competitive) will conform to the approval requirements noted above.

6.0 COMPETITIVE PROCUREMENTS

6.1 Competitive Procurement Thresholds

Quest will conduct an open, competitive procurement process where the estimated value of the procurement is greater than \$25,000.

Quest may use a Vendor of Record (VOR) list that was procured using an open, fair and transparent process to support the selection of a qualified list of suppliers for the procurement of goods or services. Where Quest uses a VOR list to select a short list of qualified suppliers for amounts over \$ 25,000, a second stage competitive process is required.

The overall value of a procurement is not to be reduced (e.g. divided into multiple procurements) in order to circumvent applicable thresholds.

Goods and Non-Consulting Services*	
Total Procurement Value	Means of Procurement
\$0 to \$5,000	Single sourced
\$5,000 to \$25,000 for equipment, computers or other capital expenditures	Solicit 3 quotes for comparison of price and quality
\$25,000 to \$100,000	Invitational competitive procurement process
\$100,000 or more	Open competitive process

***LHIN approval is required for capital purchases over \$5,000**

Consulting Services	
Total Procurement Value	Means of Procurement
\$0 to \$25,000	Single sourced
\$25,000 up to but not including \$100,000	Invitational or open competitive process
\$100,000 or more	Open competitive process

6.2 Competitive Procurement Process

The following is a summary of the competitive procurement process. Competitive procurements are to be conducted in accordance with applicable legal requirements.

6.2.1 Solicitation of Bids

Information gathering may occur to support future procurements by consulting potential suppliers through vendor consultations, or through the release of a Request for Information (RFI) or draft RFP. Responses may not pre-qualify a potential supplier or limit chances for becoming a successful supplier, but should support information gathering requirements.

Open, competitive procurements are to be posted on an electronic tendering system that includes reasonable timelines, given the nature of the procurement, for bidders to become aware of the notice and to respond. Once a formal RFP is issued, strict rules that apply to communications will be set out in the RFP.

6.2.2 Receipt of Bids

All bids must be sealed and delivered on time to the designated locations. Late bids must be returned unopened.

6.2.3 Evaluation and Selection

Evaluation of bids must follow the evaluation process set out in the RFP. In other words, the criteria for evaluation will be identified in advance of the RFP based on the nature of the procurement and these criteria will be described in the RFP.

The evaluation process has several independent stages, including the identified criteria, rated requirements and pricing information.

6.2.4 Contract Award and Management

The submission that receives the highest evaluation score and meets all mandatory requirements is considered the winning bid.

The winning bid is invited to finalize the contract provided with the RFP before commencing the provision of goods or services selected through competitive procurement. No material change may occur to the provided contract. Should there be an immediate need for goods or services prior to the signing of the contract, an interim purchase order may be issued. Justification for any such purchase order must be documented and approved by the Executive Director.

Quest will establish clear terms of reference for the assignment. At a minimum, the terms of reference should identify specific deliverables and their timing for completion.

Contracts are to be managed responsibly and effectively. Payments are to be made in accordance with the finalized contract. Invoices must contain sufficient details to warrant payment. Overpayments are recovered in a timely manner.

Should there be a change to the term of the agreement after the contract is finalized, documentation must be put in place to explain the change. Approval by the Executive Director is required.

7.0 NON-COMPETITIVE PROCUREMENTS

Non-competitive (single/sole source) procurements above defined thresholds are permitted based on certain justifiable exceptions, for example, where an unforeseeable situation of urgency exists and the procurement cannot be concluded in time to meet requirements. Where exemptions occur, these must be in accordance with applicable trade agreements and a comprehensive justification for non-competition must be documented. Approval requirements for non-competitive procurements are set out in the approval authority schedule.

8.0 CONFIDENTIALITY AND CONFLICT OF INTEREST

All those involved in evaluating proposals will be required to maintain confidentiality (non-disclosure) and declare conflicts of interests as defined in Quest policies.

9.0 RECORDS RETENTION

All procurement documents, as well as any other pertinent information for reporting and auditing purposes will be maintained for a period of seven years.

10.0 RELATED QUEST FINANCE POLICIES

For related Quest finance policies, see: [# check titles at final]

- Purchases, Receipts and Disbursements
- Records Retention – Finance
- Separation of Duties

11.0 RELATED QUEST FORMS

For related Quest forms, see:

- Purchase Order

12.0 OTHER REFERENCES AND ADDITIONAL INFORMATION

13.0 POLICY CONTACT

Executive Director

P. Purchase of Service - Contracts	Policy Approved By: Board of Directors
Section: Finance Policies	Date of Approval: April 25, 2019
Accreditation Issue:	Date of Revision: April, 2022

1.0 INTRODUCTION

A Purchase of Service contract is a written agreement of an ongoing nature between the Health Centre and an outside agency or individual. A Purchase of Service contract helps to ensure that the Health Centre's funds are expended appropriately and used for the purpose intended. All Purchase of Service contracts must comply with the Health Centre's Purchasing policy and Conflict of Interest guidelines.

5.0 SCOPE

Executive Director, Management Team and Financial Staff.

3.0 POLICY/PROCEDURE

At the minimum, each Purchase of Service contract entered into by the Health Centre will provide the following information:

- a) The nature of the service
- b) The agreed financial obligations
- c) The contract time period
- d) The invoicing procedure, or a payment schedule
- e) A termination clause
- f) Proof of insurance, as appropriate

4.0 RELATED QUEST FINANCE POLICIES

Procurement Policy

5.0 RELATED QUEST FORMS

N/A

6.0 OTHER REFERENCES AND ADDITIONAL INFORMATION

7.0 POLICY CONTACT

Executive Director

Q. Purchases, Receipts and Disbursements	Policy Approved By: Board of Directors
Section: Finance Policies	Date of Approval: March 21, 2013
	Date Revised: April 25, 2019
Accreditation Issue:	Date of Next Review: April, 2022

1.0 INTRODUCTION

The purpose of these procedures is to provide detailed guidance for dealing with purchases, related receipts and disbursements. The procedures provide for separation of duties consistent with Accounting Standards for Not-for-Profit Organizations.

2.0 SCOPE

All Staff.

3.0 PROCEDURES

Overview

The originating Management Team member approves the purchase at the time the purchase order is completed. The cost of the purchase will be charged against the appropriate budget line.

The staff person who receives the goods or services confirms that the goods received are consistent with the information on the packing slip. The staff person then notes any discrepancies, signs and dates the slip and forwards it to the Administrator Coordinator. The Administrative Coordinator reconciles the goods or services received with the purchase order and the invoice.

The Executive Director authorizes payment of the invoice.

Detailed Process

Purchasing Goods or Services

Purchases made on behalf of Quest must be made by Purchase Order. While such purchases may be initiated by staff, the actual purchase may only occur based on a purchase order approved by a member of Quest's Management Team.

Certain purchases or expenditures are excluded from this policy. These are:

- Regular payments such as utilities or rent
- Petty cash purchases for less than \$50.00
- Expenditures that have a different approval process, such as travel expenses.

The Purchase Order Process

Upon receipt of the purchase order, administrative coordinator/financial staff check the requirement against existing supplier contracts. If a contract exists, administrative coordinator/financial staff place the order.

If no supplier contract exists AND the cost is less than \$5,000.00 AND a supplier is suggested by the originator of the request, then administrative coordinator/financial staff investigates the supplier, and places the order.

If no supplier contract exists AND the cost is less than \$5,000.00 AND no supplier is suggested by the originator, the administrative coordinator/financial staff will select a supplier, and place the order.

If no supplier contract exists AND the cost is greater than \$5,000.00, then a competitive bidding process must be undertaken by the administrative coordination/financial staff. Upon successful completion of the bidding process an order will be placed.

Purchase Orders -

Purchase orders (PO) are available on line and all staff have access.

Generally, approved purchase orders will be available to:

- The supplier organization.
- Management Team member who approved the purchase order
- Administrative Coordinator/Financial staff.

Purchase order numbers must be cross-referenced to supplier invoices

Purchases are authorized by a member of Quest's Management Team. The Administrative Coordinator/ financial staff places the order upon receipt of the authorized PO.

Unmatched open purchase orders must be followed up by financial staff at regular intervals, and at least quarterly.

From time to time, either because of changing requirements or limitations on the part of the supplier, the purchase order must be changed. However:

- The purchase order may not be changed without the approval of the appropriate Management Team member.
- Changes must be marked on the original purchase order, initialed by the appropriate management team member, administrative /financial staff or client coordinators.

Receipt of Purchased Goods or Services

Delivered goods or services can be accepted by staff.

The staff person that ordered the goods verifies that the goods or services have been received as per the packing/delivery slip and that there are no omissions or breakages and then signs the packing/delivery slip, making note of any exceptions.

The signed packing slip is forwarded to the Administrative Coordinator/financial staff.

Receipt of purchased goods and services must be confirmed before payment is approved. Paying "cash on delivery" (C.O.D.) is only permitted under unusual circumstances (see section below).

Cash or Cheque on Delivery (C.O.D.)

Paying C.O.D. is only permitted under unusual circumstances if reasonable alternative arrangements are not available.

Those making purchases should encourage suppliers who wish to deliver C.O.D. to accept credit card payments in lieu of cash or cheque.

Unless C.O.D. goods are small enough to be paid from petty cash C.O.D. payments must be made by cheque or credit card. This would be coordinated by the Administrative Coordinator or Executive Assistant . The cheque would be held against delivery.

At the time that a C.O.D. purchase is received and payment is made, the Administrative Coordinator or designate should obtain written acknowledgement of the payment from the delivery person the invoice or packing slip

Payments Process

The Administrative Coordinator matches the purchase order to the invoice and packing slip. At the same time, confirmation of payment terms and date by which the supplier must be paid without incurring late payment or interest charges will take place. Discounts, advance payments and other individual arrangements should be verified against records.

Multiple invoices may be paid with a single cheque.

Items returned to the supplier for credit should be accounted for and the payment to the supplier thereby reduced, as per credit memo.

Cheque runs are made every 7 to 14 days, or as required. Financial staff will input into the cheque run all supplier payee names and address information, including the supplier's invoice number if appropriate.

Cheque numbers are entered into the payment system electronically as cheques are produced for audit trail purposes.

Foreign Currencies

If purchases are made from foreign suppliers operating in foreign currencies, purchasing arrangements and contracts must normally be made in Canadian dollars. In cases where financial staff believe that a significant advantage can be obtained by paying in foreign currency, the arrangement must be authorized in advance by financial staff.

All accounting entries will be in Canadian dollars, Gains or losses are expensed with purchase price

Sales Taxes

50% of the GST payable as well as 82% of the PST payable must be accounted for separately, in order to be recovered.

Cheque Issuance & Authorization

The cheque remittance advice is attached to each invoice when paid. The paid invoice will then be filed in the appropriate vendor file.

Cheques may only be issued when properly authorized and supported by documentation.

All cheques are authorized by an invoice, approved by a management team member.

Cheque Signing

See Cheque Signing policy.

Cheque Copies

Quest CHC cheques are 3 part forms – cheque, payee remittance advice, and payor remittance advice. Payor remittance advice is stapled to invoice.

Summary of Process

Management Team members are responsible for reviewing and approving all purchase orders originating in their department and ensuring, as much as possible, that expenditures ultimately made on behalf of Quest represent good value and a benefit to the agency.

The originator is responsible for:

- Completing the purchase order and obtaining the approval of a Management Team member prior to purchase

The staff person receiving the order is responsible for:

- Verifying that goods or services have been received in accordance with the packing slip
- Noting any anomalies or problems with the condition of the goods or services on the packing slip before signing it.

A Management Team member must approve the purchase order as noted above.

Financial/Administrative staff are responsible for:

- Investigating potential suppliers for specific requirements
- Establishing supplier contracts (if applicable)
- Managing the competitive bidding process (if applicable) consistent with Quest's Procurement Policy [see Procurement]
- Managing the purchase order system including issuing and controlling purchase orders
- Ensuring that all purchases are appropriately authorized.

In addition, Quest's financial/administrative staff are responsible for:

- Verifying (through the originator) that goods have been received in good order and that all terms and conditions in the contract have been met
- Confirming discount terms agreed to by the supplier
- Authorizing the payment at the time the goods are received
- Ensuring that purchasing contracts have been honoured by all parties
- Updating purchase order and as appropriate:
 - Ensuring that all payments are authorized and that the accounting entries including entries for taxes are correct
 - Paying authorized invoices in a timely manner
 - Accounting for items returned to the supplier
 - Taking discounts agreed to by the supplier
 - Taking action on any issues associated with the received goods or services
 - Updating purchase order and authorized payment.
 - Arranging authorization for any cheques associated with C.O.D (Cash on Delivery) delivery produced by Finance and delivering to the receiver in time for the delivery.

4.0 RELATED QUEST FINANCE POLICIES

For related Quest finance policies, see:

- Cheque Signing
- Procurement
- Separation of Duties
- Receipts & Disbursements - General Guidelines

5.0 RELATED QUEST FORMS

For related Quest process/forms, see: Microsoft Access Purchase Orders Data Base

- Purchase Order

6.0 OTHER REFERENCES AND ADDITIONAL INFORMATION

7.0 POLICY CONTACT

Executive Director

R. Receipts & Disbursements - General Guidelines	Policy Approved By: Board of Directors
Section: Finance Policies	Date of Approval: April 25, 2019
Accreditation Issue:	Date of Next Review: April, 2022

1.0 INTRODUCTION

To provide general guidelines for receipts and disbursements, selecting signing authorities, establishing cheque-signing requirements and issuing and maintaining tax receipts

6.0 SCOPE

Board of Directors, Executive Director and Financial Staff.

3.0 POLICY/PROCEDURE

The Financial Consultant and Administrative Coordinator shall keep an up-to-date and detailed record of all receipts and expenditures, which will comply with all record retention policies.

All statements received from banks and other financial institutions will be reconciled on a monthly basis and will be signed off by the Executive Director.

The cheque stub which details the cheque number and the date of payment shall be attached to each invoice when paid. The invoice will then be filed with the adequate supporting details and in the appropriate vendor, month or object file.

All payments received shall be deposited on regular frequency as needed with all deposits occurring at least once monthly.

The Board of Directors shall approve signing authorities for the Health Centre at a meeting that shall be convened immediately following the Health Centre's Annual General Meeting (AGM). At that meeting, sample signatures of the newly authorized signing Officers will be taken and the required forms will be completed and forwarded to the appropriate bank and or financial institution by the Executive Assistant/HR Coordinator.

4.0 RELATED QUEST FINANCE POLICIES

For related Quest finance policies, see:

- Cheque Signing
- Procurement
- Purchases, Receipts and Disbursements
- Travel Expense Claims

5.0 RELATED QUEST FORMS

6.0 OTHER REFERENCES AND ADDITIONAL INFORMATION

N/A

7.0 POLICY CONTACT

Executive Director

S. Records Retention – Finance	Policy Approved By: Board of Directors
Section: Finance Policies	Date of Approval: March 21, 2013
	Date of Review: April 25, 2019
Accreditation Issue:	Date of Next Review: April, 2022

1.0 INTRODUCTION

This policy is intended to ensure proper care, retention and destruction of all Quest Community Health Centre documents and records. The policy sets out guidelines and responsibility for document storage and retention/destruction.

The policy is consistent with related or overlapping policies incorporated in other Quest policy manuals. For example, Quest’s Administrative Policies include an overview of all records retention requirements.

2.0 SCOPE

Management Team and Administrative Staff.

All corporate and financial records.

3.0 DEFINITIONS

“Document” or “record” refers to both paper and electronic documents and records.

4.0 POLICY

Records are retained for the following purposes:

- To facilitate the provision of service
- To provide historical data for future identification or verification of facts
- To provide material for statistical analysis or research
- To minimize risk to the centre
- To comply with legal requirements
- To comply with accreditation standards.

Records will be stored in a manner that protects the integrity of the original document.

Records will be retained only as long as they are required by the organization to meet the above purposes.

Records containing personal information or confidential organizational information will be destroyed in an appropriate manner.

5.0 PROCEDURES

All records will be stored in dry, safe, and secure locations for as long as they are required by the organization (refer to Record Retention Schedule in this policy).

Regular back-up copies of electronic records are maintained off-site.

The organization will conduct an annual review to identify documents to be destroyed in accordance with the Record Retention Schedule.

Documents containing personal information or confidential organizational information will be shredded.

Corporate Documents including some Financial Documents

The Executive Director will ensure that all original corporate documents are stored centrally according to the record retention schedule below.

Examples of corporate documents include:

- Contracts
- Service agreements
- Purchase-of-service agreements
- Insurance policies
- Auditor reports
- Organization charter
- By-laws
- Letters patent
- Board minutes and documentation
- Annual reports
- Strategic plan
- Governance documentation
- Planning and evaluation documentation

Original corporate documents will be retained according to the attached Record Retention Schedule. Copies of these documents will be made for those who requested. When appropriate, "copy" should be stamped on the duplicate copy to distinguish it from the original document.

Financial Documents

Financial staff will ensure that original financial records are stored, retained, and destroyed according to this policy and the record retention schedule below.

In addition, the following will be maintained at Quest's place of business:

- All deposit books with documentation supporting from whom funds were received and to what they relate
- Record of all cash disbursements
- Proof of payment (e.g., cancelled cheques)
- Invoices
- Documents substantiating disbursements
- Payroll records
- Donation receipts and supporting documentation.

Record Retention Schedule

Except where the ED has determined that a specific record needs to be retained for anticipated litigation purposes or government inspections/investigations, financial and related documents and records will be retained by Quest as follows:

DOCUMENT	RETENTION PERIOD
Corporate Documents including some Financial Documents	
Organization Charter/Articles of Incorporation, Annual Reports, Bylaws, Letters Patent, Strategic Plans, Board AGM and meeting minutes	Organization's life span plus five (5) years.
Insurance Policies	Indefinitely (to minimize risk) Check with Insurer
Contracts, service agreements and purchase of service agreements	Duration of contract or agreement plus one year.
Financial Documents	
Annual audited financial statements, general ledger, annual adjusting journal entries, and duplicate receipts relating to ten-year-gifts to registered charities.	Organization's lifespan plus five (5) years.
Duplicate donation receipts (except related to ten-year-gifts)	End of fiscal period to which they relate, plus seven years.
Other financial records (other than those cited above) including payroll	End of fiscal period to which they relate plus six years

6.0 RELATED QUEST FINANCE POLICIES

For related Quest finance policies, see:

- Procurement

7.0 RELATED QUEST FORMS

N/A

8.0 OTHER REFERENCES AND ADDITIONAL INFORMATION

9.0 POLICY CONTACT

Executive Director

T. Separation of Duties	Policy Approved By: Board of Directors
Section: Finance Policies	Date of Approval: March 21, 2013
	Date Revised: April 25, 2019
Accreditation Issue:	Date of Next Review: April, 2022

1.0 INTRODUCTION

As stewards of public resources, the Board of Directors is committed to safeguarding the financial assets of Quest Community Health Centre,

7.0 SCOPE

Executive Director, Management Team and Financial Staff.

3.0 POLICY/PROCEDURE

Quest will ensure that there is adequate segregation of responsibilities for roles involving financial transactions. For transactions or roles that do not have a segregation of duty, adequate compensating controls will be put in place and documented.

For example, this means that:

- The employee who requests the purchase of a good or service may not approve the purchase order.
- The same employee may not prepare payables and sign cheques.
- All payables must be approved by the Executive Director, a Director, or delegate prior to payment.
- All salary and benefits invoices must be reviewed by the Executive Director, a Director, or delegate, prior to payment.
- Only the Executive Director, Program Director, Administrative Coordinator and Executive Assistant may have the code to the safe
- The employee performing bank reconciliations may not deposit cheques/cash.
- Bank deposit amounts confirmed by two financial staff, one of whom does not make the deposit

4.0 RELATED QUEST FINANCE POLICIES

For related Quest finance policies, see:

- Cheque Signing
- Expense Advances
- Procurement
- Purchases, Receipts and Disbursements
- Travel Expense Claims

5.0 RELATED QUEST FORMS

N/A

6.0 OTHER REFERENCES AND ADDITIONAL INFORMATION

7.0 POLICY CONTACT

Executive Director

U. Surplus Reallocation for Funded Programs	Policy Approved By: Board of Directors
Section: Finance Policies	Date of Approval: April 25, 2019
Accreditation Issue:	Date of Next Review: April, 2022

1.0 INTRODUCTION

The Ministry of Health and Long Term Care (MOHLTC) and the Local Health Integration Network (LHIN), permit the Health Centre to submit requests to reallocate funds from projected surpluses to meet approved service targets or respond to increased/different service demands. A list of requests shall be generated for consideration in an effort to maximize this opportunity while ensuring appropriate use of public funds.

Prior written approval from the Ministry or LHIN is required in advance to reallocate funds to:

- Provide a service that was not in the approved budget
- Substitute one type of approved service for another
- Use dedicated service/program funding for purposes other than intended

8.0 SCOPE

Executive Director, Management Team and Financial Staff.

3.0 POLICY/PROCEDURE

1. Based on the funded program's quarterly financial statements and program reports submitted to the funder, the Executive Director may enlist requests from the Management Team for expenditures against projected surpluses. These requests will take into consideration, but will not be limited to, the Health Centre's strategic plan and strategic priorities.
2. The requests will be prioritized by the Executive Director.
3. The requests are then forwarded to the funder for consideration and approval.
4. The Board will be informed if the requests are approved.

4.0 RELATED QUEST FINANCE POLICIES

For related Quest finance policies, see:

- Annual Budget
- Community Accountability Planning Submission

5.0 RELATED QUEST FORMS

N/A

6.0 OTHER REFERENCES AND ADDITIONAL INFORMATION

7.0 POLICY CONTACT

Executive Director

V. Travel Expense Claims	Policy Approved By: Board of Directors
Section: Finance Policies	Date of Approval: March 21, 2013
Accreditation Issue:	Date Revised: April 25, 2019
	Date of Next Review: April, 2022

1.0 INTRODUCTION

Quest Community Health Centre will reimburse Board Members and employees who incur out of pocket expenses related to carrying out approved Quest business. This includes Board/staff development and related travel.

All expenses require prior approval by the appropriate authority and submission for payment as soon as possible after the event.

2.0 SCOPE

Board of Directors, All Staff, Volunteers and Students

3.0 POLICY/PROCEDURE

Pre-approval of Travel and Related Expenses

Board Members

All Board Member travel and related expenses must be preapproved by the Board Chair, in consultation with the Executive Director. The reason for this is that travel is not a regular part of a Board Member's role. Travel that may be claimed does not include travel to Board meetings.

The Chair may delegate Board Member expense claim approval to an Executive Committee Member. In the event that the Chair incurs the expenses, the Vice-Chair or Secretary-Treasurer must approve the Chair's expenses, in consultation with the Executive Director.

The Chair or their delegate will determine the appropriateness of the expense in accordance with this policy and ensure that there are adequate funds to support the expense.

Individuals Who Do Not Regularly Incur Travel Expenses as Part of Their Position

Individuals (other than the ED and Program Director or a designated individual approved by the ED), wishing to obtain reimbursement must submit a detailed estimate of expenses prior to purchase from the appropriate member of the Management Team. Upon request, the appropriate member of the Management Team may approve an advance of travel funds or other expense money, by submitting a signed and approved purchase requisition. (See Expense Advances)

Approval of Expense Claims

All Board members and other individuals (including the Executive Director and Program Director), must complete an expense claim in order to obtain reimbursement.

With the exception of the ED, individuals will submit their claim to the appropriate member of the Management Team for approval and then forward it to the Administrative Coordinator, where it will be processed during a regular cheque run.

In the case of the Executive Director, the final statement of expenses incurred must be approved by the Chair of the Board or another member of the Board's Executive Committee prior to reimbursement.

Allowable Expenses

All expenses must be submitted at cost including:

Travel/Transportation

- Out of town travel/transportation arrangements should be determined in consultation with the Management Team member to whom the individual reports and must be pre-approved as noted above. A Board Member anticipating travel, may consult with Quest's financial/administrative staff regarding rates, etc.
- It is Quest's policy to use economy class in all modes of transportation.
- Air travel may be utilized when the cost compares favourably with other modes of transport or when the urgency of the commitment makes it necessary. In such circumstances, those travelling on Quest business will be limited to the economy fare. Air travel can be arranged through local travel agents and invoiced directly to Quest.
- Travel to and from the airport is available through many local transport service companies. If a private automobile is used, then Quest's mileage/km allowance will be in effect to calculate the reimbursement. Reasonable and supported parking charges may also be reimbursed. The total round trip cost claimed for the use of a private vehicle cannot exceed the round trip cost of the most economical local limousine service.
- Air insurance will be allowed up to a maximum of one hundred thousand dollars (\$100,000) of coverage. This cost needs to be supported by a receipt or the insurance policy. Upon booking a trip, many travel agencies will provide this coverage free of charge.

Accommodation and Living Expenses

- Best value overnight hotel, motel and other accommodation expenses will be reimbursed if properly supported. Supporting documents should report the location of the stay, the dates and the total number of days stayed, and the daily or weekly rate.
- Where an employee or Board Member shares a room with a family member, who is not a Quest employee/Board Member, then only a single person charge should be claimed.
- A maximum of \$30 per night is allowed for accommodation including any meals with friends or family, in lieu of commercial accommodation. Instead of a receipt, the individual must submit a written explanation describing the purpose of the trip, identifying the host and the number of days you stayed. The \$30 value may be given in the form of a small gift (which must be accompanied by a receipt) or by cash or cheque.

Meals

Quest reimburses individuals for meal expenses subject to the maximum rates set out in the chart below. These rates include taxes and gratuities:

Meals	Maximum Amount
breakfast	\$15
lunch	\$25
dinner	\$40

- The rates are not an allowance. They are for individual meals. Individuals claiming meal expenses must have eaten the meal to be able to submit a claim for reimbursement. For example, it is not permitted to combine the maximum 3-meal rate (\$80.00) if only 2 meals are eaten.
- When more than one meal is claimed for any day, individuals may allocate the combined maximum rates between the meals. For example, if the claimant has eaten both breakfast and lunch, the combined rate is \$40.00. This now becomes the maximum rate for the two meals, regardless of what the individual has spent on each meal.

Mileage

- Mileage allowance for the use of private vehicles will be paid at rates to be determined/approved by the Management Team . (Individuals can confirm the mileage allowance with Quest’s financial/administrative staff.)

Parking

- Parking incurred when the individual is using their vehicle or the Quest CHC Van for business purposes will be reimbursed. Receipts must be submitted with the expense claim form submitted.

Telephone and fax messages

- Long distance phone calls and faxes should be limited to business only and should be done in a reasonable and economical manner. Financial staff will review all telephone bills for compliance.

Non-Allowable Expenses

Add reference to Alcohol

Expenses incurred in the payment of fines, including parking fines and other such penalties, will be disallowed.

Reimbursements

An official pre-printed Employee Mileage Expense Claim Form should be submitted and should include the nature of the business conducted, and the distance travelled. Each claim sheet should be dated and signed by the person submitting the claim. The signature of relevant Management Team member or the ED on the claim sheet shall act as the authority for reimbursement.

In the case of the Executive Director, a signing officer of the Board shall act as the authority for reimbursement.

Travel claimants must attach original receipts for any out-of-pocket expenses to their expense form.

When abnormal or unusual expenses are incurred, a detailed written explanation of those expenses must be provided to the approving authority for validation of the claim.

For all expenses requiring pre-payment Quest's credit cards may be utilized.

Individuals should submit expense claims as soon as possible following a trip as described above, but no more than three months after. Mileage expenses may be submitted monthly.

At year-end, it is important to submit all expenses, claims and mileage reports belonging to the present fiscal year, in order to maintain consistency and accuracy.

4.0 RELATED QUEST FINANCE POLICIES

For related Quest finance policies, see: [# check titles at final]

- Corporate Credit Card
- Separation of Duties

5.0 RELATED QUEST FORMS

For related Quest forms, see:

- Employee Mileage Expense Claim Form

6.0 OTHER REFERENCES AND ADDITIONAL INFORMATION

7.0 POLICY CONTACT

Executive Director