



FINANCIAL ADMINISTRATION POLICY (FAP)

A policy to regulate the receipt, management, and expenditure of funds and to establish administrative practices for the management of all WBFB funds.

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INTRODUCTION

WHEREAS WBFB has determined that it is desirable and necessary for the improved administration of all WBFB's business to establish a financial administration policy to regulate the receipt, management, and expenditure of WBFB funds and to establish an administrative structure for the management of these funds,

THEREFORE BE IT RESOLVED that the following policy be adopted to regulate the administration of WBFB funds.



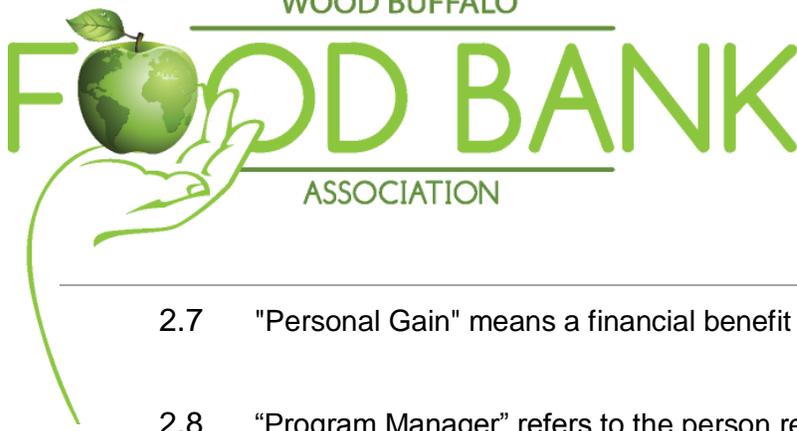
1.0 SHORT TITLE

This policy may be cited as the "WBFB Financial Administration Policy (FAP)."

2.0 DEFINITIONS

In this policy:

- 2.1 "Agreement" means any written contract between WBFB and another party or parties, including the federal government, provincial government, municipal or a third party, pursuant to which money is to be paid to WBFB.
- 2.2 "Annual Budget" means the forecast of planned expenditures for each fiscal year by WBFB.
- 2.3 "Auditor" refers to the firm appointed by the WBFB members at the Annual General Meeting to undertake the annual financial audit of WBFB.
- 2.4 "WBFB funds" means all monies belonging to WBFB including:
 - a) Revenues of WBFB;
 - b) Money borrowed by WBFB;
 - c) Money received, collected, or borrowed on behalf of WBFB; and
 - d) All monies received or collected by WBFB pursuant to any agreement or funding arrangement, to be disbursed for a purpose specified by the WBFB Board of Directors or pursuant to that agreement or funding arrangement.
- 2.5 "Finance Comptroller" refers to the person hired by the Executive Director / Board of WBFB to assist in the coordination of the management of administrative, financial information / statements and / or other program related operations.
- 2.6 "Contribution Agreement" and / or "Funding Agreement" refers to a financial transfer arrangement between the program funder and WBFB.

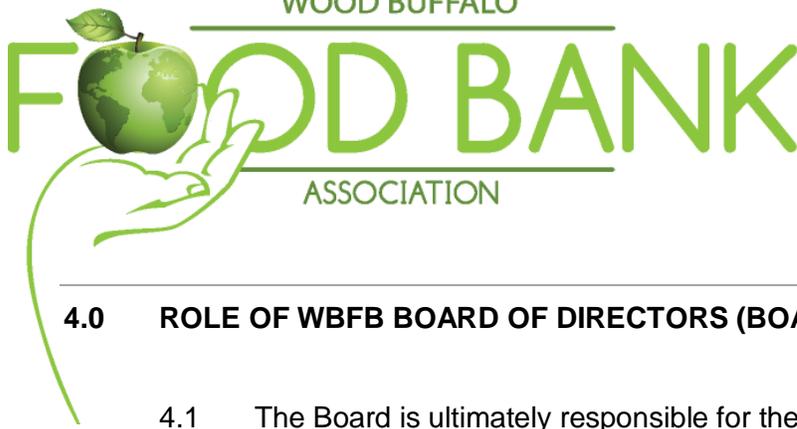


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- 2.7 "Personal Gain" means a financial benefit for the person or for the members of his or her family.
- 2.8 "Program Manager" refers to the person responsible for the management of a specific program or project or work area i.e. Warehouse Manager.
- 2.9 "Resolution" means a decision made by a majority of the WBFB Board of Directors at a duly convened meeting.
- 2.10 "Board" refers to the WBFB Board of Directors, duly elected as prescribed in the Elected Officials Manual and acting as a collectivity.

3.0 APPLICATION

This policy regulates the receipt, management, and expenditure of WBFB funds, and the administrative organization of WBFB for the management of its funds from various sources, including the contribution, funding agreements and / or arrangements with various government departments, sponsorship, and other initiatives and sources which may be applicable from time to time. It is understood that this policy governs all revenue and expenditures for which WBFB is directly responsible for, including operations and reimbursement for expenses and travel costs for both WBFB operations – Executive Committee and the Board. These funds will be applied as follows.

- a) These funds will not be utilized for personal loans to any Board member, staff, or any other stakeholder that WBFB provides programs or services to;
- b) These funds will be used to deliver programs and services that meet the mandate, mission and vision of the WBFB to strengthen the capacity of its clients in accordance with the priorities and strategic plans as outlined in WBFB's business plan, etc.;
- c) All funds will be used in a fiscally responsible manner, and the WBFB Board of Directors is accountable to its membership and funding sources for the use and benefit of these funds;
- d) For purposes of clarity, this document is dated May 2012. Any subsequent revisions must be clearly dated without altering the original May 2012 date of this document.

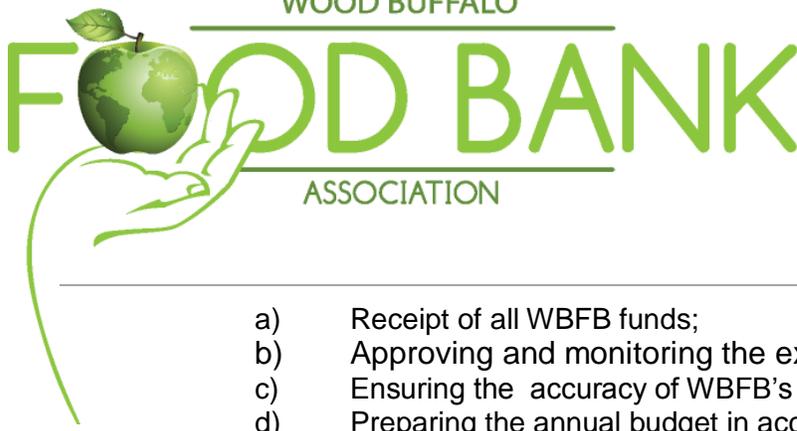


4.0 ROLE OF WBFB BOARD OF DIRECTORS (BOARD)

- 4.1 The Board is ultimately responsible for the management of all WBFB revenue and expenditures and cannot delegate this responsibility.
- 4.2 The Board members will set and approve goals for WBFB and use these goals to guide them in the professional and responsible management of all aspects of the receipt and expenditure of all WBFB monies.
- 4.3 The Board will approve work plan(s) / business plan(s) with yearly budgets and appropriate reporting and accounting mechanisms for all its programs and services.
- 4.4 The Board is also empowered to make budgetary decisions within and outside of the yearly budget process should the need arise. Budgetary decisions that either alter the yearly-approved budgets or enact new budgetary decisions must be made by a majority vote of the Board.
- 4.5 If the Executive Committee desires new expenditure and / or alteration of existing budgets, Board approval must be sought and granted.
- 4.6 Board decisions affecting budgets can be done in three ways: at a duly constituted meeting of the Board; at a duly constituted conference call of the Board; or by having the WBFB Executive Director send out a background memo with a written motion regarding the budget item, which is then signed by each Board member and sent back to the Executive Director.
- 4.7 The Board will maintain full and transparent reporting, internally and externally, for all funding sources.
- 4.8 The WBFB Board will present the audit to the attendees at the annual general meeting.
- 4.9 The Board has deemed it necessary to delegate management and administration of WBFB funds, but not responsibility, to the Executive Director.

5.0 ROLE OF WBFB'S EXECUTIVE DIRECTOR

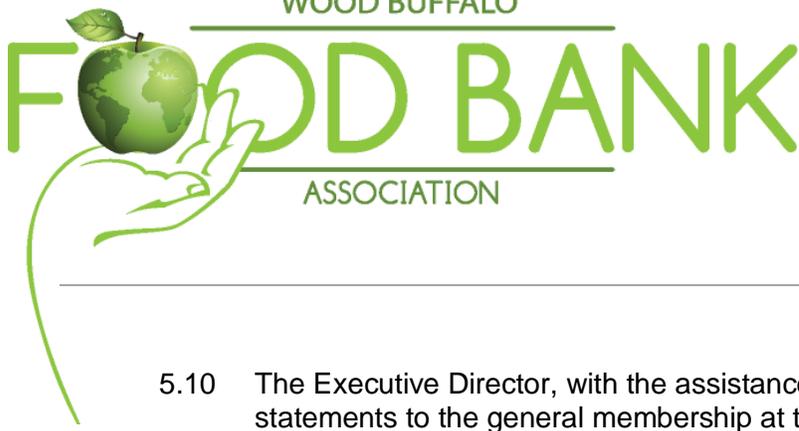
- 5.1 The Executive Director is responsible to the WBFB Board of Directors for the management and administration of:



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- a) Receipt of all WBFB funds;
 - b) Approving and monitoring the expenditure of all WBFB funds;
 - c) Ensuring the accuracy of WBFB's financial records;
 - d) Preparing the annual budget in accordance with the priorities of work plan(s) / business plan(s) as approved by the WBFB Board of Directors;
 - e) Overseeing the preparation of the annual audit;
 - f) Making recommendations to the Board of Directors on financial matters; and
 - g) Attending to other matters relating to the financial affairs of WBFB.
- 5.2 The Executive Director will ensure that a competent Finance Comptroller is recruited and will ensure that the Finance Comptroller performs their duties as described in their job description and in all aspects of this FAP.
- 5.3 The Executive Director is responsible for ensuring that proper rules respecting the management of all revenue and expenditure are in place and adhered to.
- 5.4 The Executive Director will strive to correct and improve upon any inadequacies respecting rules for financial management in the FAP and will seek corresponding amendments to this policy from the Board.

Reporting and Audit Process

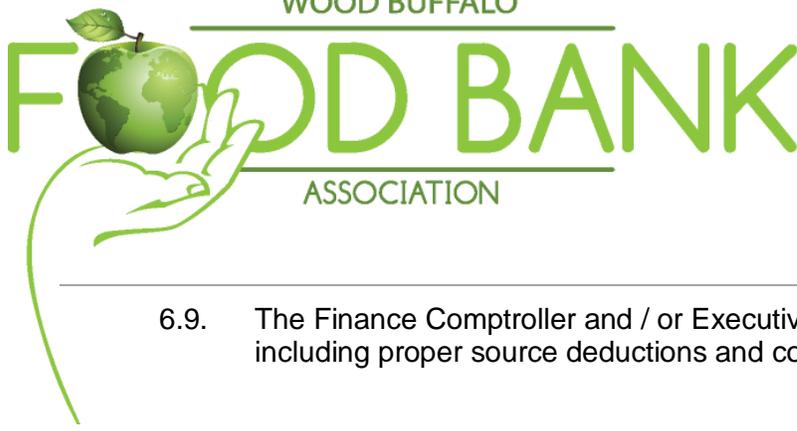
- 5.5 The Executive Director is responsible for transparent, accurate, and regular financial reporting.
- 5.6 The Executive Director will provide monthly financial statements to the WBFB Treasurer and the Finance Committee, who will then review and recommend their approval at the following Board meeting (after bank reconciliation's are complete). These financial statements will report on all WBFB activities relating to the receipt and expenditure of monies for the period covered.
- 5.7 The Executive Director will present draft-audited statements to the Executive Committee for review within thirty (30) days on completion by auditor.
- 5.8 The Executive Committee and the Finance Comptroller with assistance from the Executive Director will present the draft audited statements to the Board for approval at a duly constituted meeting held no later than September 30 of each year. The draft will be approved by the Board.
- 5.9 Following approval from the Board, at least two members of the Executive Committee will sign the audited statements and the Executive Director will submit these signed audited statements to the respective funding sources as outlined in the financial agreements / arrangements.



- 5.10 The Executive Director, with the assistance of the Treasurer, will present these audited statements to the general membership at the annual general meeting.

6.0 ROLE OF THE FINANCE COMPTROLLER

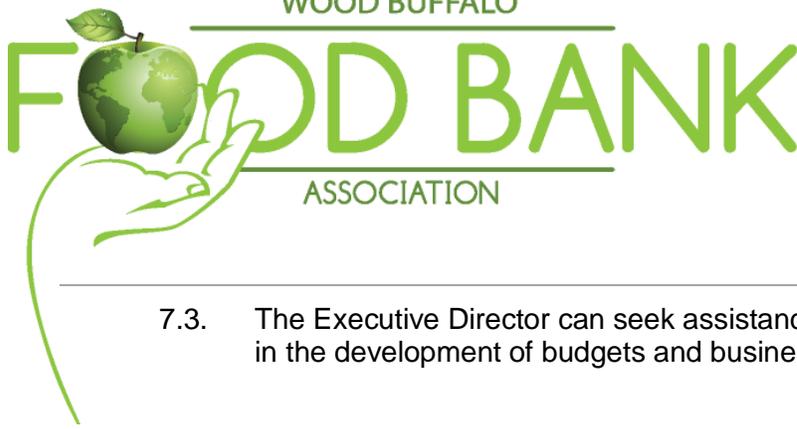
- 6.1. The Finance Comptroller is directly responsible to the Executive Director and is classified as management contract staff.
- 6.2. On behalf of the Executive Director, the Finance Comptroller is responsible for the management, accounting, and reporting of all WBFB revenue and expenditures.
- 6.3. The Finance Comptroller will assist the Executive Director in the preparation of all budgets, and when recommending amendments will provide background information warranting those amendments.
- 6.4. The Finance Comptroller will maintain an accurate and up-to-date accounting system for all financial transactions and will prepare regular monthly statements to the Executive Director as required.
- 6.5. Given the various WBFB budgets and corresponding separate projects, the Finance Comptroller will ensure that all financial transactions – all receipts of funds and all expenditures – are accounted for; consistent with individual projects / funding agreements and corresponding budgets.
- 6.6. The Finance Comptroller is responsible for monitoring expenditures against budgets and ensuring that the Executive Director is kept clearly and promptly informed of the relationship between budgets and expenditures.
- 6.7. In reimbursement for travel or other WBFB expenses, the Finance Comptroller must ensure that the corresponding activity has either been approved by the Executive Director or follows the travel / meeting policy outlined in this manual.
- 6.8. The Finance Comptroller is responsible for monitoring and adhering to all funding agreements / arrangements that WBFB has entered into and will provide regular updates to the Executive Director as well as advice on the progress of any such agreements and the corresponding expenditures.



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- 6.9. The Finance Comptroller and / or Executive Director is responsible for all payroll management, including proper source deductions and corresponding reporting.
 - 6.10. The Finance Comptroller and / or Executive Director will ensure that all remittances and taxes are properly administered, documented, and filed with the appropriate authority in a timely fashion.
 - 6.11. The Finance Comptroller has the responsibility to make short-term investments through guaranteed investment instruments (such as Treasury Bills) to maximize the best returns for the corporation.
 - 6.12. The Finance Comptroller will ensure that payroll cheques and payments to contractors are in accordance with approved pay grids or contracts.
 - 6.13. The Finance Comptroller will ensure that all other payments made by WBFB are in accordance with pre-approved budgets, agreements, or Board resolution(s).
 - 6.14. The Finance Comptroller will assist in the preparation of the annual audit by providing the necessary documents and statements to the auditors and by briefing the Executive Director on an ongoing basis during the audit process.
 - 6.15. The Finance Comptroller is responsible for the management and administration of all contracts that have been approved by the Executive Director and / or the Board.
 - 6.16. That if there is a situation where there is a financial anomaly then the Finance Comptroller needs to bring this matter to the attention of the Treasurer and the Board of Directors of WBFB.

7.0 WORK PLAN/BUDGET PROCESS

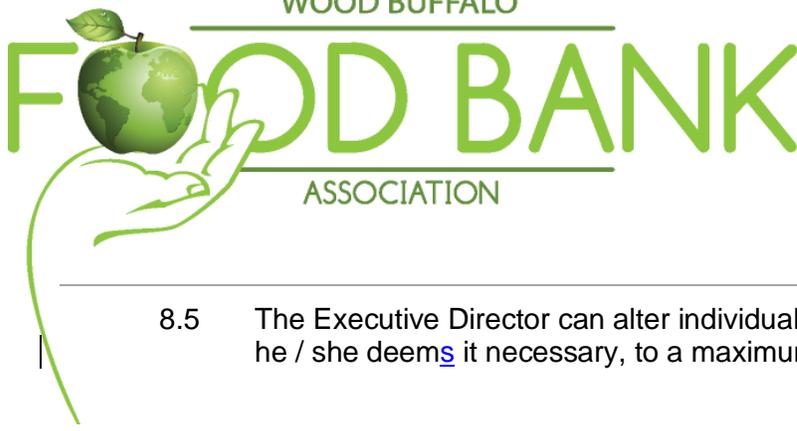
- 7.1. The Executive Director will develop business plan(s) / work plan(s) for presentation to the Board, with corresponding yearly budgets for all WBFB programs and services.
- 7.2. While the Executive Director may delegate the development of particular budgets to WBFB staff, the Executive Director is directly responsible to the Board for the development and management of all budgets.



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- 7.3. The Executive Director can seek assistance from the Executive and / or Finance Committee(s) in the development of budgets and business plan(s) / work plan(s).
 - 7.4. The Executive Director should present a draft budget to the Treasurer and the Executive Committee for discussion no later than November of each year. Budget talks will include the Executive Director except where the Executive Directors' salary or benefits are concerned.
 - 7.5. In the event the Executive Committee desires significant changes to the first draft, those changes should be highlighted in the second draft that is recommended by the Executive Committee for review and approval by the Board.
 - 7.6. The Executive Director and Executive Committee and / or Finance Committee should present all budgets to the Board at a duly called meeting held no later than the end of December of each year. This schedule allows the necessary time required for submission to funding agencies.
 - 7.7. The Executive Director is compelled to adhere to the expenditure requirements described in all Board-approved budget(s).
 - 7.8. In the event that new situations arise which require expenditure(s) / activities not described in the business plan(s) / work plan(s) and corresponding budget, the Executive Director shall seek Board approval.

8.0 FINANCIAL MANAGEMENT

- 8.1 The Finance Comptroller will ensure that separate accounting is maintained relative to each project WBFB enters into.
- 8.2 The Executive Director is responsible for ensuring that all budgets are adhered to in all cases.
- 8.3 If any WBFB committee or any Board member wishes a deviation from the budget, the Executive Director must bring this desired amendment forward to the Finance Committee and the Board of Directors.
- 8.4 In the event of necessary amendment(s) to any budget in excess of 10 per cent or \$2500.00 the Executive Director must bring this requested amendment forward to the Finance Committee or Board for decision with appropriate supporting documentation.



- 8.5 The Executive Director can alter individual budget line items within a Board-approved budget if he / she deems it necessary, to a maximum of 10 per cent or \$2,500.00.

Receipt of Monies/Funds

- 8.6 To ensure transparency in the receipt of monies and funds, all mail and correspondence will be opened by the Executive Director.
- 8.7 Any monies or funds contained in the correspondence will be logged (date received, source and amount) promptly by the Executive Director.
- 8.8 The Executive Director will note the date, amount and source, register receipt in the WBFB accounts, and promptly make the deposit.
- 8.9 In registering receipt of monies, the Executive Director will ensure that all funds and monies are delineated according to corresponding programs and projects such as WBFB's operational arm, mobile pantry program, snack attack, and so on.
- 8.10 The Finance Comptroller will keep the Executive Director and the appropriate program managers informed of such receipts.

Expenditure and Signature Policy

- 8.11 WBFB cheques require two signatures.
- 8.12 The four primary designated signing authorities of WBFB are:
- three members from the Executive Committee (as designated by the Board); and
 - the Executive Director.
- 8.13 The Executive Director and a Board member, together, have cheque signing authority, provided that expenditures are consistent with a Board-approved budget(s) or a Board decision and have followed the cheque requisition process.



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- 8.14 Either the Executive Director along with one member of the Board may sign cheques for any amount on Board-approved budget expenditures or other expenditures directed by the Board.
 - 8.15 The Executive Director or any member of the Executive Committee with signing authority has the authority to sign contracts, provided that they follow approved Board activity per business plan(s) / the work plan(s) or are on matters approved by the Board.
 - 8.16 Board approval constitutes any program, project or activity which the Board has approved through any duly constituted process, including work plan(s) / business plan(s), Board motion(s), conference call motion(s), or signed correspondence motion(s).
 - 8.17 Verbal approval by one or more Board members, without a motion with approval from at least a quorum of the Board, does not constitute approval.

9.0 PURCHASE OF GOODS AND SERVICES

Values Statement:

Where two or more suppliers of goods or services are equal on all accounts (quality, best value, reputation, and track record) and the local supplier has a price variance within 10 per cent of all other bids or quotes, the local supplier shall be selected by WBFB. If all the bids are local, the lowest bid will be chosen.

10.0 TENDERS AND CONTRACTS

- 10.1 The Executive Director has the authority to enter into contracts subject to **section 8 of this** manual.
- 10.2 In compliance with section 9.0 of this manual, any contractual arrangement for the purchase of goods and services that exceeds \$5,000.00 must be tendered, unless there is a contractual agreement with WBFB that provides otherwise.
- 10.3 Whether a formal 'Request for Proposal' or a request for 'Quotes' is undertaken is in the discretion of the Executive Director, having considered the nature of the contract for goods or services.



- 10.4 The invitation to tender OR request for proposals should not exceed 30 days and should indicate:
- a) The hour and date of closing;
 - b) Sufficient details from which comparable bids can be made; and
 - c) The amount of security deposit required, if any.
- 10.5 The WFBF office will acknowledge responses to tenders by informing the bidder of receipt of their responses and the process, including the timeframe for awarding the contract.
- 10.6 All bidders will be notified of the outcome following a decision respecting the awarding of any contract that has been tendered.
- 10.7 Except in special limited circumstances in the discretion of the Executive Director in consultation with the Board, contractors and agents should operate under a contract at all times, and all contracts should include clauses on holdback and termination provisions as well as oaths of confidentiality. Contractors should also be bonded and insured.

11.0 CONFLICT OF INTEREST

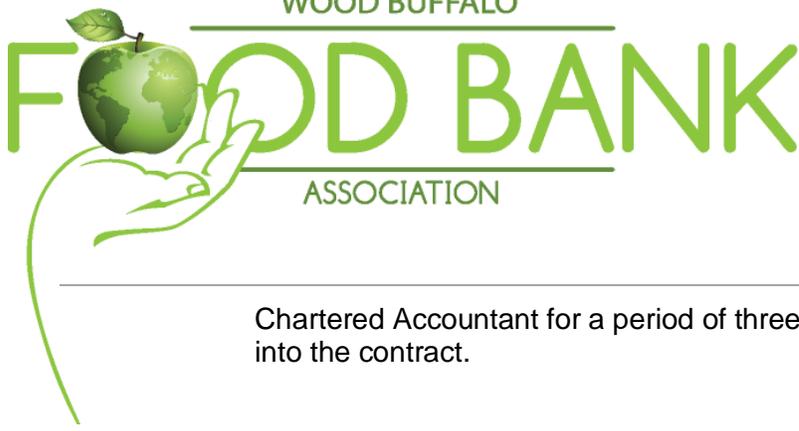
Conflict of interest guidelines apply as outlined in the Policy Manual for both the Board of Directors and Human Resources.

12.0 FISCAL YEAR

The fiscal year for WFBF shall be from January 1st of each year to December 31st of the year.

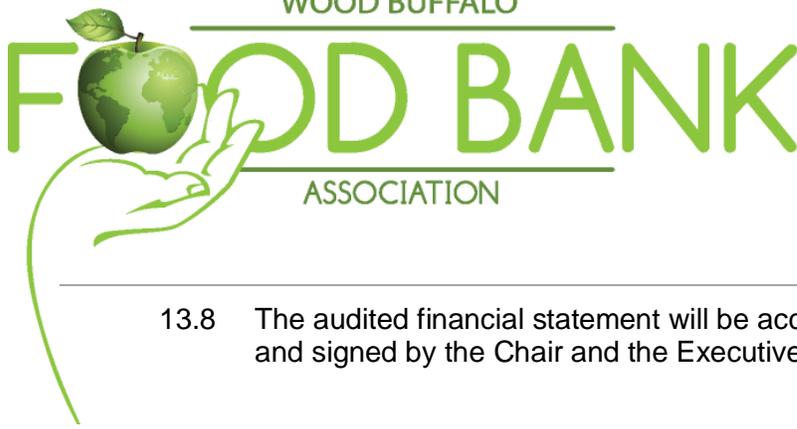
13.0 AUDIT

- 13.1 Respecting the preparation of the audited financial statements, the Executive Director is responsible for presenting a minimum of two quotations from a recognized professional chartered accountants / firms (or similar designation) to the Executive Committee and thereafter to the Board every three years.
- 13.2 The Board of Directors will recommend the selection of one audit firm to the WFBF members at the annual general meeting, and, when a choice has been approved, WFBF will contract the



Chartered Accountant for a period of three years, with a yearly review mechanism incorporated into the contract.

- 13.3 The auditors report to the Board through the Executive Director, Treasurer and / or the Executive Committee.
- 13.4 The auditors are entitled to:
- a) Acquire access to all records, accounting books and programs, bank accounts, and vouchers;
 - b) Require the production of information necessary for the completion of the audit from any Program Manager, the Finance Controller including the Executive Director;
 - c) Review administrative and financial policies;
 - d) Obtain copies of WBFB Board of Directors Minutes and AGM resolutions and policies; and
 - e) Obtain agreements; funding agreements / arrangements, contracts, and other related documents.
- 13.5 The terms of reference for the auditor include:
- a) Examining and completing a general review of accounting procedures, and tests of accounting records in accordance with generally accepted auditing practices;
 - b) Reporting on all of WBFB's financial activities, programs, and services by providing for a statement of revenue and expenditures for each program and project;
 - c) Details of surpluses and deficits respecting corresponding programs, projects and building sale / lease options; provision of a consolidated Balance Sheet, Statement of Revenue and Expenses, and Statement of Changes in Financial Position;
 - d) Examining and making recommendations (in a management & Board letter) regarding the accuracy of the financial statements and accounting processes and procedures that the Board has implemented and the Executive Director carried out.
- 13.6 The audit will be conducted in accordance with generally accepted auditing procedures as stipulated by the Handbook of the Canadian Institute of Chartered Accountants and will include a general view of the adequacy of the accounting procedures and systems of control employed to preserve and protect the assets of WBFB.
- 13.7 After the review of the annual audit by the WBFB Board of Directors, the annual audit will be presented to WBFB's members at the annual general meeting.



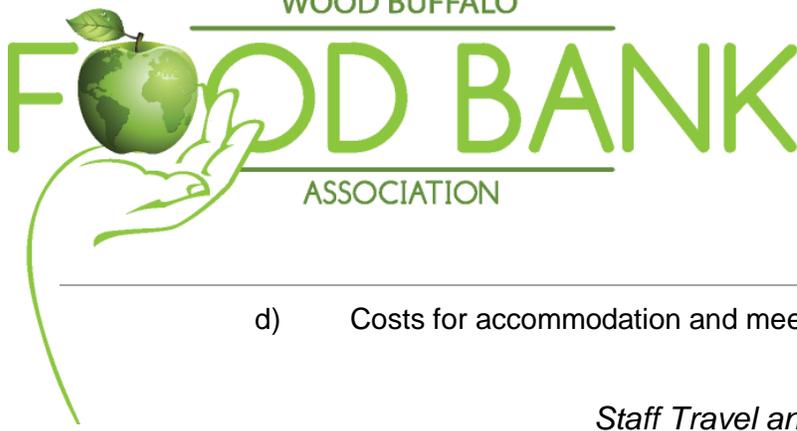
- 13.8 The audited financial statement will be accepted by the WBFB Board of Directors by resolution and signed by the Chair and the Executive Director after the annual general meeting.
- 13.9 Copies of the audit report will be made available to funding agencies, financial and lending institutions, other external agencies as required, and WBFB's members at the annual general meeting. A copy will be filed at WBFB's head office.

14.0 EXPENSES / TRAVEL POLICY

- 14.1 All reimbursement for expenses and travel will be strictly guided by this policy and by CRA travel rates, inclusive of mileage rates, which must be approved by the Board annually, as amended from time to time.
- 14.2 It is understood that violation of this policy constitutes cause for action and will be addressed in an appropriate and expeditious manner.
- 14.3 Without Board-approved budgetary guidelines such as the work plan(s) / business plan(s) or a Board resolution, there will be no reimbursement.

Guidelines for Travel Expenses of Staff and Board Members/Committees

- 14.4 All staff, Board members and committee members should always be regulated by the principle of using the most cost-effective approach to travel. This means:
- a) The most inexpensive form of ground transportation should be used. For example, if the cost for mileage exceeds the cost of a rental vehicle, a rental vehicle should be used. Taxicabs to and from the airport are generally less expensive than a rental car. When several people from WBFB (staff, Board and or Committee members) are travelling together on WBFB business that requires a shuttle to various locations in a particular city, a rental car may be the most cost-effective choice.
 - b) Because of the additional costs incurred, flight bookings should not be altered without the Executive Director's approval and only in extreme circumstances.
 - c) Excursion, Economy and reduced airfares are always preferred.



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- d) Costs for accommodation and meeting rooms should be reasonable and not excessive.

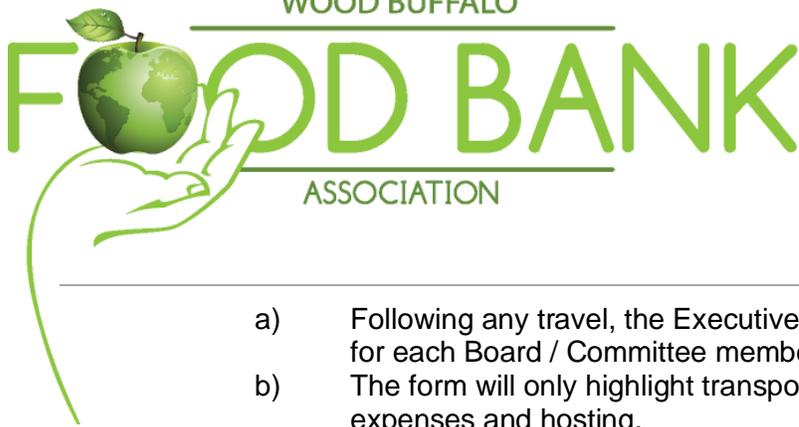
Staff Travel and Expenses

- 14.5 All WFBF staff are subject to this policy, and violation of this policy constitutes just cause for dismissal.
- 14.6 Reimbursement for expenses, including travel, must adhere to a budget based on the annual work plan(s) / business plan(s), project and program budgets, committee budgets, or activities sanctioned by Board resolution.
- 14.7 Expenses are defined as costs that a staff, board or committee member may be required to personally assume in the course of WFBF business. This includes:
- a) Pre-approved capital acquisition;
 - b) Parking and transportation costs;
 - c) Accommodation;
 - d) Meals;
 - e) Incidentals;
 - f) Hosting;
 - g) Meeting arrangements, including equipment rental and supplies.
- 14.8 The Executive Director will consider requests in the context of section 14.6 and will grant approval accordingly.
- 14.9 The Executive Director can approve an exceptional request for reimbursement provided that the Board has given direction for the activity and budgets are not compromised.
- 14.10 The Executive Director can provide an advance payment to a staff member for approved expenses, providing those expenses comply with this policy.
- 14.11 To be reimbursed for travel-related expenses, staff members must complete a detailed expense form, indicating costs and attaching receipts.
- 14.12 The attached Expense Form indicates expenses WFBF is prepared to reimburse.
- 14.13 The Expense Form should be dated and attached to this manual.



Board and Committee Travel and Expenses

- 14.14 Given the Board's responsibility and accountability for the organization as a whole, it is imperative that the Board conduct itself in the most honest, transparent, and professional manner possible regarding travel and any other expenses.
- 14.15 The Board understands that travel and related expenses may form a necessary budget expense, and members understand that travel must be guided by budgets and policy.
- 14.16 The Board has delegated spending authority to the Executive Director and cannot enter into financial arrangements without a Board resolution.
- 14.17 Individual Board / Committee members, acting outside Board resolution, are not empowered to enter into any financial arrangement.
- 14.18 The Executive Director can provide an advance payment to a board / committee member for approved expenses, providing those expenses comply with this policy.
- 14.19 Generally, Board / committee members are required to assume travel costs, except hotel and transportation, and will be promptly reimbursed following WBFB's receipt of the Expense Form.
- 14.20 Board / Committee members will use this policy as a guide for planning their travel expenditures.
- 14.21 Board / Committee members are required to submit the Expense Form to the WBFB office no later than two weeks after returning from a trip.
- 14.22 In the event that expense claims have not been received within a 4-week period following travel, or if travel has occurred within 4 weeks prior to December 31 and the Expense Form has not been received by January 31, no reimbursement will be provided and the expenses will be forfeited.
- 14.23 Given the Board's responsibility and accountability, Board members will self-police their travel expenditures in the following manner. (The Executive Director monitors staff.)



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- a) Following any travel, the Executive Director will assemble an abbreviated expense form for each Board / Committee member.
 - b) The form will only highlight transportation costs, including flight, mileage, hotel, meeting expenses and hosting.
 - c) These forms will be included, as an information item only, in the next Board kit.
 - d) Board members are encouraged to raise questions or express concerns about any anomaly.

15.0 AMENDMENTS

- 15.1 The Financial Administration Policy will be reviewed at least once per year by the Finance Committee. Recommendations will be submitted to the Board.
- 15.2 The Board has sole authority to amend this policy and can do so only by a majority vote of the Board.
- 15.3 The Executive Director can seek amendments to this policy at a meeting of the Board or through written request, subject to section 15.2
- 15.4 The Financial Administration Policy will function together with the Governance Policy, the Elected Officials Manual, and the Office Manual.

