

**NORTHWESTERN ONTARIO MUNICIPAL ASSOCIATION
POLICY REGARDING FINANCIAL MANAGEMENT**

Policy Number: F001

Policy Statement

The finances of the Association will be accurately recorded and prudently and efficiently managed to further the objects of the Association.

I. Financial Records & Practices

1. The Executive Director will ensure that accurate financial records are maintained and backed-up appropriately.
2. Accounting and financial procedures and controls will comply with the Generally Accepted Accounting Principles and Practices for not-for-profit organizations established by the Canadian Institute of Chartered Accountants, subject to any modifications required to conform to the spirit and intent of the applicable Provincial and Federal Statutes.
3. The Executive Director will control expenditures and revenues within the approved budget and present regular financial statements to the Executive and Board at each meeting.
4. The Executive Director has the authority to make any adjustments to correct any errors in the accounts (e.g. double billing, double payment, etc.).
5. Audited Financial Statements must be kept for a minimum of 10 years. Bank records, cancelled cheques, and other transaction records must be kept for a minimum of 7 years. When destroying financial information shredding is the required method.

II. Banking Services and Signing Authority

1. Each cheque issued by the Association must be signed by the Executive Director and either the President, Executive Vice President, or a Vice President.
2. The Executive Director is authorized to receive and process bank statements and cancelled cheques.

III. Budget

1. Each year the Executive Director shall submit to the Board the Association's three-year business plan, showing the Association's estimate of revenue and expenditure for each program and a budget for the immediately ensuing fiscal year.
2. The budget and business plan shall be submitted, in an appropriate time frame for Board consideration, prior to the start of the new fiscal year (January 1).
3. The budget for each membership program (ie: AGM, Regional Conference, etc) offered by the Association should be balanced and self-sustaining.
4. When the business plan and budget are approved by the Board, the Executive Director will implement the direction of the Association as expressed in the approved programs.
5. The Executive Director has the authority to transfer funds within the approved budget up to \$5,000.
6. Transfers between line items exceeding \$5,000 and any expenditures not authorized by the budget must be approved in advance by the Executive.

IV. Purchasing & Procurement

The Executive Director is authorized to undertake programs, agreements, projects, work or services and purchases, lease of contract for goods, materials, equipment or services within the approved budget with the exception of those matters over which the Board retains direct authority.

In purchases over \$1,000 (exclusive of travel), orders will be placed based on obtaining a minimum of three separate quotes.

Where appropriate, long term agreements of up to three years will be sought in order to achieve greatest possible efficiency.

NOMA reserves the right to not accept the lowest or any tender submitted.

Adopted by the Board of Directors – September 29, 2010, City of Thunder Bay