**Sample Procedures – Expenditures**

1. **Operational Expenditures**

All expenditures will be made in accordance with the relevant purchasing policies and procedures. In emergency situations, the Chief Administrative Officer, per the Authorization and Delegation Table, may approve the purchase of goods or services that were not anticipated in the budget and are not procured in accordance with the relevant policies and procedures. The rationale for these purchases must be documented by the Chief Administrative Officer and reported immediately to the Finance and Audit Committee and to Council.

Receiving documents will be reviewed and initialed by the individual receiving the goods that all goods on the document have in fact been received in satisfactory condition and that any goods not received are clearly identified as such. The receiving documentation should be forwarded with the requisition for payment to the employee responsible for accounts payable. If goods are received without receiving documents, the employee receiving those goods is to create a receiving slip noting which goods were received, date of receipt, delivery agent, First Nation contact person (normally the person who initiated the expenditure), and the supplier. The receiving document will be initialed by the delivery agent and the employee receiving the goods, and then forwarded with the requisition for payment to the employee responsible for accounts payable.

All requests for payments for performance of work or services or supply of goods must be initiated through a requisition for payment that includes a statement certifying that:

* the work or services have been performed or the goods supplied, any conditions in an agreement respecting the work, services or goods have been met and the price charged or amount to be paid is in accordance with an agreement or, if not specified by an agreement, is reasonable
* if payment is to be made before completion of the work or services, delivery of the goods or satisfaction of any conditions in an agreement, the payment is in accordance with the agreement

All requisitions for payment must identify the appropriate financial institution or trust account out of which payment is to be made and must include a statement certifying that the expenditure is not prohibited and that it is in accordance with the appropriation identified in the certified statement and the Financial Administration Law.

1. **Reimbursable Expenses**

Employees will clearly demonstrate and document that all amounts they are claiming for reimbursement were directly related to authorized activities performed on behalf of the First Nation.

Expenses reimbursed by hosts or other third-party funding arrangements must not be claimed. Declaration of such third-party reimbursements must be made in accordance with the First Nation’s relevant policy.

Travel authorization: Prior to travel, employees will submit a request to their immediate supervisor stating the purpose, dates, and estimated costs for the proposed travel. The immediate supervisor will review it to make sure the proposed travel is in support of official First Nation business and that there is sufficient budget available. An employee is deemed to be on official “travel status” for an approved trip for the period when an employee departs their residence or office until they return to their residence or office.

### TransportCommercial transport will be the preferred method of travel for distances greater than [●] kilometers. For each type of travel, the lowest price alternative will be purchased.

The standard class for rail or air travel will be economy or the equivalent.

The standard car rental, vehicle class will be mid-size. Gas purchases and full vehicle insurance will be reimbursed for rental cars.

Business class travel will be permitted only in exceptional circumstances and must be authorized by the Chief Administrative Officer before booking. If travel is for the Chief Administrative Officer, the Chair of the Finance and Audit Committee must authorize business class travel. In each case, the pre-authorization will be attached to the reimbursable expense claim for payment.

### Private VehiclesPrivate vehicle mileage will be reimbursed at a rate of $[●] per kilometer from the administration office location. All other non-business-related vehicle costs are the responsibility of the individual.

Individuals using a private vehicle for work related travel must have the minimum insurance coverage legally required for work related use by their province or territory of residence. The First Nation will not be held responsible for any claims, accidents or damage to a private vehicle.

The lowest cost hotel option will be selected. The standard for accommodation is a single room, in a safe environment, conveniently located and comfortably equipped.

### Per Diems and IncidentalsA maximum per diem amount will be reimbursed for each day on approved travel status on behalf of the First Nation to cover meal expenses and incidentals. Per diems may be claimed according to [insert relevant rate reference example: Treasury Board of Canada rates, Union of Ontario Indians rate]

Meals will only be reimbursed for those incurred during approved travel status.

If a meal is provided as official hospitality from another individual/organization in the course of their duties on approved travel status, a meal allowance will not be claimed by the individual on travel status.

Incidentals can only be claimed for each night away on travel status. Part days on travel status will not be eligible for incidentals.

The purpose of the daily ‘incidentals’ amount is to cover general expenses during official travel. This amount covers items such as: dry cleaning, tips and other personal expenses incurred while on travel status.

Receipts are not required for meals when per diems are claimed or for items that fall under the incidental category.

1. **Documentation and Reporting**

For general and operational expenditures, the following should be submitted to accounting for payment

* original contract/agreement (if applicable)
* original invoice
* purchase order (if applicable)
* receiving documents/packing slips
* requisition for payment that has signed approval

Reimbursable expense claims must be complete, sufficiently supported, and recorded on the prescribed expense claim form. Before submitting expenses to Accounting for approval and payment, the employee will make sure that they have prepared a complete claim that includes:

* the employee’s signature and date signed, acknowledging that all amounts claimed are accurate and in support of First Nation official business
* original receipts for all amounts claimed; depending on the nature of the claim, these can include
* invoices
* itineraries for air/train travel
* itemized restaurant bills (where per diems do not apply)
* support for any exchange rates used in the expense claim. Sufficient support includes receipts from exchange bureaus for funds exchanged or credit card bills showing the exchange rate received. When neither is available, the Bank of Canada official rate will be used
* signed travel authorization from the employee’s manager (for the Chief Administrative Officer a member of Council will approve, for Council members the Chair of the Finance and Audit Committee will approve)
* if applicable, a signed pre-authorization supporting business class travel
* proof of payment for items claimed, which includes credit card or debit receipts

Credit card receipts alone are not sufficient, the original itemized receipt or invoice from the supplier must be included in every reimbursement or expense claim.

For all expenditures, claims with the appropriate support as described previously must be submitted to Finance within 30 days of the expense being incurred.

### Other Travel ExpensesOther travel and business-related expenses that are directly attributable to travelling or business on the First Nation’s behalf may be reimbursed, including internet access, business long-distance phone calls, parking, airport taxes, tolls, taxi fares, and public transit fares.

### Memberships Memberships in professional organizations that are required for an individual’s position or are meeting a demonstrated need of the First Nation will be reimbursed provided that the appropriate immediate supervisor has approved each membership. For other expenses not listed in this policy, pre-approval is necessary from the Chief Administrative Officer before initiating the expense and submitting a reimbursement claim.

1. **Approval for Payments**

No funds will be paid out of any financial institution account without a requisition for payment. All funds paid out of an account will be for intended purposes as per the contractual agreement or in absence of an agreement as per Council approval as documented in the annual budget.

Invoices received must be immediately forwarded to the finance department with a requisition for payment who will then process them to:

* match with the purchase order and the receiving document
* make sure that all required documentation has been submitted to support payment
* verify mathematical accuracy
* make sure that any taxes are correctly calculated and processed if applicable for tax exemption claims
* confirm that funds are available to pay the invoice
* identify and note the authorized general ledger account coding
1. **Payments**

Accounts payable will be paid within thirty (30) days of the receipt of an invoice or reimbursable expense claim, except for those invoices or expense claims, which require management approval.

The finance department will prepare cheques every [insert timeframe – i.e. second Thursday].

The payments package will be provided to two authorized signatories, and will be accompanied by:

* a listing of all payments prepared noting the payee, amount, and payment date
* supporting documentation for each payment (e.g. cheque, transfer) including
* approved invoices, expense claims, purchase orders, and receiving documents

All documentation supporting payment will be retained in accordance with the relevant policy.

Accounts Payable employees will notify the Director of Finance immediately of any instances of:

* non-compliance with policy requirements that cannot be resolved
* suspected fraud