



**TR'ONDËK HWËCH'IN**  
**FINANCIAL ADMINISTRATION POLICY**

**Date of Force and Effect:** April 1, 2023

**Last Consolidated:**

### Financial Administration Policy Revision History

Council Resolution Number	Date	Comments
CR2022-12-15-01	December 15, 2022	Financial Administration Policy approved by Council and brought into Force and Effect on April 1, 2023
CR2023-07-19-06 (1 <sup>st</sup> Approval) CR2023-08-09-05 (2 <sup>nd</sup> Approval)	July 19, 2023 August 9, 2023	Added Sections 22.11 and 22.12 requiring service contracts for services over \$2000
CR2024-06-19-03 (1 <sup>st</sup> Approval) CR2024-07-03-01 (2 <sup>nd</sup> Approval)	June 19, 2024 July 3, 2024	Amended section 25.3 to allow finance more flexibility in processing payables.

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## **WE ARE DĚNEZHU. WE LIVE TR'ĚHUDÈ.**

We are DĚnezhu, the people of this land We are Tr'ondĕk Hwĕch'in, the people of this river following the ways Tsà' Wĕzhè traveled and remembering his journey and the living inheritance he left us – Tr'ĕhudè, our way of life and our law.

We are DĚnezhu, the people of this land  
salmon people and caribou people  
weather-watchers and story people.

Ours is a constitution of stories and promises – a promise to listen to the land a promise to act humbly and show gratitude for the gifts that sustain us a promise to take care of each other.

The promises Tsà' Wĕzhè made in the long-ago times are the core of our identity as DĚnezhu the source of our wealth, the reason we endure and the root of our kinship with the land and our animal relatives those with fur or fins or feathers leaves or needles or berries or flowers two legs or four legs, more legs or none who taught us how to survive, but also how to live. These promises are happy obligations because when we look after our relatives, they look after us.

Tsà' Wĕzhè used his wits to make the world safe for us so we live Tr'ĕhudè to protect the balance he made still telling the stories that bind us to this land and keeping our promises so the animals keep theirs – for all the generations yet to be born.

That is what we mean when we say we are DĚnezhu, the people of this land  
That is what it means to be Tr'ondĕk Hwĕch'in, the people of this river.

## **PART 1 – INTRODUCTION**

### **1. Application**

The Financial Administration Policy is enabled and adopted by resolution of Council under the provisions of the *Constitution*, the *Financial Administration Act* and Regulations enacted pursuant to the Act. In the event of an inconsistency or conflict between the Financial Administration Policy, the Act, the Regulations or any other law of the Tr'ondëk Hwëch'in, the law will prevail to the extent of the inconsistency or conflict.

The Financial Administration Policy applies to all the financial transactions of the government and to the operations of the Department of Finance and all other departments.

### **2. Scope and purpose**

The purpose of the Financial Administration Policy is to consolidate all the Council policy and procedural guidelines aspects of finance related matters into one reference document.

Council policy, in general, states the government's philosophy and approach to an issue and provides the formal guidance to coordinate and execute activities. Council expects that its policy statements will be applied as stipulated.

Procedural guidelines provide guidance from Council to the Government Administration as a framework of high-level expectations of how the policy should be implemented to ensure consistent delivery of good practice. However, the procedural guidelines are not intended to be prescriptive or to hinder the authority of the Executive Director to manage the Government Administration and the departments in pursuit of Council's vision and goals. The Department of Finance and the Director of Finance are expected to develop and apply further detailed administrative procedures consistent with the guidance of Council that will enable them to meet their responsibilities under the Act for managing and carrying out the financial affairs of the government.

The Financial Administration Policy:

- a) forms a binding agreement between the government and its public officers;
- b) determines how the government operates under the *Constitution* and laws;
- c) provides clear direction and administrative guidance to ensure public officers have continuing support; and
- d) provides citizens with an accountable, efficient, and effective government of transparency, disclosure, and redress.

### **3. Enabling legislation**

In accordance with the *Constitution*, the Council may develop, amend and approve policy.

### **4. Amendment**

Council recognizes that policy will need to change, from time to time, to meet changing operational needs. Council will initiate revisions to the Financial Administration Policy as may be required to conform to changing

operational needs. A Table of Amendments to this Financial Administration Policy is included.

## **5. Enforcement**

The Financial Administration Policy will be clear and binding until revised. The Financial Administration Policy will be enforced by the Director of Finance, in accordance with the provisions contained herein.

If any public officer has concerns about the appropriate application and enforcement of the Financial Administration Policy, they are strongly encouraged to voice their concerns directly to their Director of Department, or the Director of Finance or the Executive Director. Council believes that clear and open lines of communication are an effective tool for good government.

## **6. Dispute resolution**

In cases of disputes, the Director of a Department is the first, and the Director of Finance is the second, and Council is the final level of interpretation of the provisions contained herein.

## **7. Distribution and access**

Copies of the Financial Administration Policy will be available, at all times, in all government buildings, departments and program offices.

## **8. Orientation and training**

It is mandatory that all public officers will be familiarized with the *Tr'ondëk Hwëch'in Financial Administration Act* and Regulations enacted pursuant to the Act, and the Financial Administration Policy by their Director of department, the Department of Finance, or both as required during orientation.

The Director of department is responsible to ensure regular training is provided to all public officers in the department such that they can be reasonably expected to meet all their financial administration responsibilities.

## **9. Definitions and abbreviations**

9.1 In this policy, the definitions of the *Constitution*, the *Governance Act*, the *Financial Administration Act* and the *Financial Administration Regulations* will apply and

“Act” means the *Tr'ondëk Hwëch'in Financial Administration Act*, as amended from time to time, and includes any regulations made under the authority of the Act.

“Capital Asset Inventory System” means the system by which the government records and manages asset information to provide for appropriate stewardship, control and accountability over its assets.

“GST” means the Goods and Services Tax

“Legal and Regulatory Measures” means the legal and regulatory measures enacted and made by Tr'ondëk Hwëch'in, including the Constitution, statutes, regulations, rules, policies, resolutions and any other measure that can be enforced by a court or a department.

## **PART 2 – ORGANIZATION AND MANAGEMENT**

### **10. Management roles and responsibilities**

The Act assigns the responsibility for managing and carrying out the financial affairs of the government to the Department of Finance. The high-level duties of the department and the Director of Finance are noted.

Good financial governance is a collaborative effort requiring the participation of all public officers. Council further clarifies the respective roles and responsibilities of the Department of Finance and Directors of departments in financial management and administration.

#### **Policy**

10.1 The Directors of departments will

- a) participate, in a diligent and timely fashion, in annual work planning and budgeting;
- b) ensure they are familiar with the approved annual budget allocations made for the programs, projects and activities of their department;
- c) manage the finances of their departments and be responsible for the monitoring of budgets and ensuring their programs and projects are administered in a financially efficient manner;
- d) ensure that funds are utilized wisely and productively and only for the activities specified in the respective approved annual budgets;
- e) participate in budget management to plan expenditures, to effectively spend the department budget and to review variance reports for indications that program activity levels have increased or decreased and to adjust work plans according to the demands on the department;
- f) ensure that all spending of public money which has been allocated to their department by the annual budget is accounted for in accordance with the Act, any regulations, the Financial Administration Policy and all other legal and regulatory measures;
- g) ensure that all documentation required to account for spending of money is complete and accurate for processing by the Department of Finance; and
- h) answer all inquiries concerning the status of documentation.

10.2 The Department of Finance will

- a) be responsible for all accounting duties;
- b) be responsible for ensuring that sufficient controls and checks are implemented to ensure accountability and the accuracy of all financial data; and
- c) provide all Directors of departments with all the financial information necessary to fulfill their financial management responsibilities.

#### **Procedural Guidelines**

10.3 In delegating duties to public officers in the Department of Finance, where possible and practical, the Director of Finance will consider separation of:

- a) operational responsibility from record keeping;
- b) the custody of assets from accounting;
- c) the authorization of transactions from the custody of related assets;
- d) recording of transactions from reconciliation of the related accounts; and
- e) duties within the accounting function.

## **11. Annual budget**

No less than every four years, the Executive Director prepares, for approval by Council, a four-year strategic plan that

- a) incorporates the government vision, mission, values, goals, objectives, programs and projects;
- b) provides focus on matters of strategic importance;
- c) serves as a framework for decision-making;
- d) assists benchmarking and government performance monitoring to be reviewed periodically; and
- e) provides the basis for more detailed annual work planning and budgeting.

The Executive Director is further responsible for preparing an annual work plan, for approval by Council, that will serve to further implementation of the strategic plan in pursuit of its vision, goals and objectives.

The annual budget is the framework by which Council provides resources to the Executive Director to carry out the annual work plan by delegating spending authorities to the Directors of departments.

### **Policy**

- 11.1 The Executive Director, in conjunction with the Director of Finance, will prepare, and recommend for approval by Council, an annual budget that is consistent with the four-year strategic plan and the annual department work plans.
- 11.2 All budget recommendations to Council are the responsibility of the Executive Director as the senior official of the Government Administration held accountable for implementation of the strategic plan approved by Council.
- 11.3 At the start of each new financial year the Director of Finance will cause the annual budget approved by Council for the new year to become effective and ensure all Directors of department are familiar with their department budgets.
- 11.4 The Director of department may request, with a written rationale, that the Director of Finance amend the distribution of expenditure authorities among activities within a program or capital project for which they are responsible, as required to meet its operational needs and purpose within the approved annual work plan. Such a request will not be unreasonably refused but in the event of disagreement, the Executive Director will make the final decision.
- 11.5 Within the limits established by regulations, the Director of department may request, with a written rationale, that approved expenditure authorities be transferred between programs identified in the



approved annual budget, as required to meet their operational needs and purpose within the approved annual work plan. Such a request will not be unreasonably refused but in the event of disagreement, the Executive Director will make the final decision.

- 11.6 If, for any reason, expenditures not specifically provided for in the annual budget become necessary, the Director of department shall notify the Executive Director, who will work in conjunction with the Director of Finance to prepare, and recommend for approval by Council, an annual budget amendment.

### **Procedural Guidelines**

- 11.7 The Director of Finance, on behalf of the Executive Director, will oversee management of the annual budget development process and endeavour to adhere to the following schedule

- September
1. First draft revenue allocations are provided to each department. These allocations should be based on
    - a) the annual budget for the last complete year and the year in progress;
    - b) a thorough examination of the actual spending and cash flows for the last complete year and the year in progress; and
    - c) expected Tr'ondëk Hwëch'in Financial Transfer Agreement and other funding changes.
  2. Directors of departments provide first draft annual work plans for their department activities, which are consistent with the four-year strategic plan, including budget requirements. The first draft budget requirements should include a rationale for any variance from the first draft revenue allocation. These are presented at meetings with the Executive Director and Director of Finance.
- October
3. The Executive Director determines revised revenue allocations for each department. The Director of Finance prepares the first draft of the full budget for presentation to the Executive Director and Directors of departments.
  4. Directors of departments review and prioritize work plans and adjust budget requirements to meet the revised revenue allocations.
- November
5. The Executive Director considers any further rationales provided by Directors of department for changes to revenue allocations, work plans and budgets.
- December
6. The next draft budget is prepared and presented to Council by the Executive Director for its first review. Council may request any number of meetings as required to complete the review.
- January
7. A revised budget is prepared based on the guidance provided to the Executive Director during the first Council review. Directors of department revise work plans and budget requirements to reflect any revised revenue allocations and guidance from Council.

February 8. The Executive Director recommends the final budget for approval by Council in accordance with the Act, at least thirty days in advance of the new financial year.

## **12. Budget management**

Council, the Executive Director and Directors of department require current awareness of the financial position of the government, its departments, and the programs and projects they manage to ensure that they are appropriately informed to fulfill their responsibilities for budget management and work planning.

Active monitoring of spending against the approved budget enables dynamic planning and prioritization of future expenditures to avoid deficits.

### **Policy**

- 12.1 The Department of Finance will prepare and make available to Council, the Executive Director, and all Directors of department regular monthly financial statements for the government and its departments, programs, and projects as each requires to fulfill their responsibilities.
- 12.2 Directors of department will
- a) diligently review the financial statements to ensure their accuracy;
  - b) be responsible for monitoring the spending of their respective department, program and project budgets; and
  - c) give all the financial information provided to them due consideration in planning their future expenditures from the approved annual budget or making requests for budget amendments to the Executive Director or both, if necessary.
- 12.3 At each interim quarter-end, being June 30, September 30, and December 31, for any program or project where actual expenditures are over or under the projected expenditure by that time by 10% or more, the Director of a department shall submit a variance report to the Director of Finance. The variance report will outline
- a) the amount of the shortage or overage;
  - b) the cause contributing to the shortage or overage; and
  - c) recommended actions to bring the expenditure back in line with the budget, which may be an expenditure reduction or increases in another area of the program, or a request to the Executive Director for a budget amendment, with rationale.
- 12.4 Should the review of the financial statements reveal that no variance report pursuant to section 12.3 is required, a statement verifying that the budget is on target will be submitted to the Director of Finance.

### **Procedural Guidelines**

- 12.5 Within 10 working days of each month end, the Department of Finance shall prepare and make

available to Council complete financial statements of revenues and expenditures that may also include, if requested by Council in advance, preparation of any of the following accompanying supporting documents

- a) trial balance of the general ledger;
- b) bank reconciliation statement;
- c) variance reports;
- d) accounts payable statement;
- e) accounts and contributions receivable statement;
- f) any specific program or project reports deemed necessary or requested

- 12.6 Within 10 working days of each month end, the Department of Finance will prepare and provide to Directors of department financial statements of revenue and expenditures for all the programs and projects in their department. The associated general ledgers will be provided as requested.
- 12.7 Within 5 working days of receipt, Directors of department will bring any queries as to the accuracy of the financial statements to the attention of the Department of Finance for consideration.
- 12.8 Within 10 working days of receiving the financial statements for the interim quarter-ends, being June 30, September 30 and December 31, Directors of department will submit the required variance reports or statement verifying that the budget is on target or both to the Director of Finance.

### **13. Annual audit**

The annual audit ensures sound financial systems and accountability, organization and controls, and that Tr'ondëk Hwëch'in financial resources have been managed appropriately for the purpose of providing programs and services to citizens. It further ensures accountability for Tr'ondëk Hwëch'in Financial Transfer Agreement funding and other contribution agreement funding.

#### **Policy**

- 13.1 The Director of Finance will ensure that the public accounts are audited in a timely manner.
- 13.2 The audit will include all transactions involving the government's finances and will be in accordance with Public Sector Accounting Board (PSAB) standards. The audit will include a general review of, and a management letter with regard to, the government's financial management practices and its system of internal controls in use to preserve and protect the assets of the government.
- 13.3 The auditor is entitled to access all government information required to complete the audit, including
- a) all financial records;
  - b) agreements, contracts, and any other related documents;
  - c) any legal and regulatory measures enacted or passed by the government, including resolutions and minutes; and

d) any information from the Executive Director or any Director of department necessary.

- 13.4 The auditor, upon their request, may attend and be heard at a meeting of Council, or receive notice or other communication relating to a meeting, and with regard to any part of the business of Council that concerns the auditor.

#### **Procedural Guidelines**

- 13.5 The Director of Finance and the auditor shall meet two months before financial year-end to discuss what information, other than bookkeeping records, the auditor will require. This process determines pre-audit specifications and should help reduce auditing costs.
- 13.6 Directors of department are responsible for explaining any changes in expenditures from the previous year and variances between the budget and actuals for the current year being audited.

### **PART 3 – CAPITAL ASSETS**

#### **14. Capital asset reporting**

The Department of Housing and Infrastructure and the Department of Finance must coordinate their respective responsibilities for the management and reporting of capital assets to ensure proper controls and compliance with applicable legal and regulatory measures.

Capital assets must be properly recorded, capitalized and their value accurately amortized over time, thus reflecting their cost over their useful life and not only on the date of acquisition. An amortization schedule for all capital assets is required to ensure compliance with the Public Sector Accounting Board (PSAB) standards.

#### **Policy**

- 14.1 Recording and amortization of capital assets will be in accordance with the Public Sector Accounting Board (PSAB) standards.
- 14.2 All items with a value of more than \$10,000 and with a useful life of more than one year under normal use will be treated as a capital asset for Public Sector Accounting Board (PSAB) amortization reporting requirements. Assets valued at less than the capitalization threshold of \$10,000 are fully written off as an expense at the time of acquisition and not added to the schedule of capital assets.
- 14.3 The Department of Finance will be responsible for ensuring the maintenance of a schedule of capital assets and an amortization schedule for each of those capital assets, including
- a) date of acquisition;
  - b) cost of acquisition;
  - c) initial and remaining useful life;
  - d) amortization rate;
  - e) total accumulated amortization; and

f) current carrying value.

14.4 Capital assets will be added to the accounts at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

If the acquisition or historical cost is not available or if an asset is donated, then the estimated fair-market value shall determine the asset's acquisition value. Sources to determine fair market value include recent sales of similar assets, price index table, market appraisal or an outside vendor.

14.5 Amortization of capital assets will be on a straight-line basis over their estimated useful life at the following rates

- a) Buildings and housing            20 years
- b) Vehicles and equipment        5-10 years
- c) Computer equipment            4 years
- d) Cultural site infrastructure    15 to 20 years

14.6 When the carrying value of a capital asset falls below \$10,000, or its remaining useful life falls below one year, it will cease to be considered a capital asset. It will be written off the schedule of capital assets and the remaining value recognized as an operational expense in that financial year.

14.7 Capital assets are written down when conditions indicate that they no longer contribute to the ability to provide goods and services, or when the value of future economic benefits associated with the capital assets are less than their net book value. The net write-downs are accounted for as an operational expense in that financial year.

14.8 Certain assets that have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as capital assets. Assets under construction are not amortized until the assets are available to be put into service.

#### **Procedural Guidelines**

14.9 The Director of Housing and Infrastructure will be responsible for the physical acquisition, disposal, custody and control, and maintenance of all capital assets, including proper upkeep of the Capital Asset Inventory System.

14.10 The Director of Housing and Infrastructure will notify the Department of Finance of their authorization of any acquisition, disposal, value-changing modification or damage, deletion (through loss, theft, or destruction by vandalism, fire or any other cause), or lease of a capital asset. The notification will include all the information required to properly amend the schedule of capital assets.

## **15. Insurance requirements**

Government assets must be adequately covered by appropriate insurance to protect Tr'ondëk Hwëch'in financial interests.

### **Policy**

- 15.1 The Director of Housing and Infrastructure will ensure that adequate fire, theft, travel, indemnity, and general liability insurance coverage is maintained, including coverage of, but not limited to, the following:
- a) fire and theft;
  - b) office and community buildings contents;
  - c) homes and community buildings replacement;
  - d) general liability; and
  - e) vehicle fleet.
- 15.2 The Director of Housing and Infrastructure will be responsible for the administration of all insurance claims respecting capital assets.

### **Procedural Guidelines**

- 15.3 The Director of Housing and Infrastructure will review the terms and conditions of the insurance coverage annually by February 1, to enable updating as part of the annual budget cycle.
- 15.4 A notice will be sent to all Directors of department by February 1 of each financial year requesting any information required by the insurer so that all office contents including any new equipment are adequately covered.
- 15.5 Directors of department are responsible for ensuring these lists are submitted to the Director of Housing and Infrastructure no later than February 15 to ensure they are part of the annual insurance renewal.

## **PART 4 – REVENUES**

### **16. Collection, receipt and deposit of public money**

The collection, receipt, deposit or transfer of public money must be carefully controlled to ensure accountability and maximize efficiency.

### **Policy**

- 16.1 The Department of Finance will maintain all government bank accounts.
- 16.2 Public money will only be deposited by public officers that have been delegated the authority to deposit public money by the Director of Finance, by completion of a *Delegation of Authority Form*.

- 16.3 Public officers authorized to handle cash and cheques will be bondable and internal security controls will apply.
- 16.4 Funds may be transferred between operating accounts and higher-interest accounts as operational cash flow requirements merit. All such transfers between accounts shall be signed by the Chief and the Director of Finance or the Executive Director.

### **Procedural Guidelines**

#### *Collection of public money*

- 16.5 The Director of Finance will ensure that all cheques and cash received are stored securely in the Department of Finance safe until deposited in the government bank account.
- 16.6 All cheques received will immediately be endorsed on the reverse as 'For Deposit Only'.

#### *Receipt of public money*

- 16.7 A receipt book will only be issued if the department requesting the book demonstrates that it is required for efficient and accountable operations. At the start of each financial year, the Department of Finance will allocate required pre-numbered receipt books to the Director of department for use by their department, which will be stored securely. The Director will sign for receipt of the books.
- 16.8 The Director of department may further allocate the receipt book to a public officer within their department, by completion of a *Delegation of Authority Form*. The public officer will sign for receipt of the book.
- 16.9 All completed receipt books will be returned to the Department of Finance by the Director of department that signed for receipt. A further book may be allocated in exchange at this time.
- 16.10 At the end of each financial year, the Director of department will return all receipt books to the Department of Finance.
- 16.11 All cash and cheques received will be entered on pre-numbered receipts in the current receipt book, which will include the
- a) date the cash or cheque was received;
  - b) name and address of the payer;
  - c) amount of the cash or cheque received; and
  - d) signature of the authorized public official to verify the entry.
- 16.12 The original receipt will be given to the payer. The duplicate, contained in the receipt book, will be retained in the Department of Finance.
- 16.13 There will not be any adjustments made to entries in the receipt book.

### *Deposit of public money*

- 16.14 An authorized public officer will deposit all funds received, at least weekly and more often if necessary, in the appropriate government bank account.
- 16.15 A deposit slip will be prepared in duplicate for every deposit of cash or cheques or both, including the following
- a) the current date;
  - b) the account number;
  - c) the name of account;
  - d) a listing of cheques and amounts to be deposited;
  - e) a listing of cash and amounts to be deposited, including the total cheques, total cash and the total amount to be deposited in the account; and
  - f) the name and signature of the authorized public officer making the deposit, as verification.
- 16.16 Deposits will be made on the date shown on the deposit slip and the duplicate deposit slips will be date-stamped by the financial institution, except in the case of a night drop deposit.
- 16.17 All deposits will be verified by two authorized public officers to balance the amount being deposited to the total of the receipts issued.
- 16.18 All deposits will be posted to each bank account in the appropriate general ledger account.
- 16.19 All deposits listed in the monthly bank statements will be reconciled with the receipt book.
- 16.20 All bank accounts will be reconciled and balanced to the general ledger monthly.
- 16.21 Interest revenue and bank charge expenses for all bank accounts will be posted and reconciled to the general ledger not less than twice a year.

### **17. Accounts receivable**

The granting of credit and collection of funds receivable by the government must be carefully controlled to maximize efficiency and protect Tr'ondëk Hwëch'in financial interests.

#### **Policy**

- 17.1 The Department of Finance will be responsible for
- a) approving and ensuring the issuance of invoices for all accounts receivable; and
  - b) taking all necessary steps to ensure the timely collection of outstanding accounts receivable including those deriving from contribution agreements
- 17.2 Outstanding accounts receivable may only be deducted from any future government payables if an agreement or order is in place to permit this.



## **Procedural Guidelines**

- 17.3 The Director of a department requesting an invoice shall submit a completed and signed *Request for Invoice Form* to the Department of Finance, including the legal name of the party being invoiced, the contact person, legal address and any further information and documentation necessary to support the invoice.
- 17.4 The Director of a department requesting an invoice required under a contribution agreement will support the request with verification that all supporting activity reporting has been completed.
- 17.5 The Department of Finance will notify outstanding accounts once they are thirty days overdue and statements will be sent monthly. If the account holder fails to make contact or suitable payment arrangements, the Director of Finance may then proceed with action as required to collect the outstanding amount.

## **18. Payroll deductions**

Council wishes to enable all employees to choose to pay rent for Tr'ondëk Hwëch'in housing units or other amounts owed to the government by payroll deductions.

### **Policy**

- 18.1 All employees paid through the government payroll may choose to pay via payroll deduction
- a) any outstanding amount payable to the government; or
  - b) rent due under a tenancy agreement for a Tr'ondëk Hwëch'in housing unit.
- 18.2 No administration fee will be levied for such a payroll deduction.

### **Procedural Guidelines**

- 18.3 An employee, at their choice, may propose an agreement to pay any rent due, or outstanding debt obligations they may have to the government, by payroll deduction by submitting a complete signed *Payroll Deduction Form* to the Department of Finance.
- 18.4 The Director of Finance will approve all payroll deduction agreements and forward the signed agreement to the Payroll Administrator to deduct the agreed amount from the employee's biweekly pay for transfer to the receiving program.
- 18.5 An employee, at their choice, may terminate an agreement for payroll deduction at any time by notifying the Payroll Administrator in writing five working days before payroll is processed.

## **19. Contribution agreements**

Council clarifies the respective roles and responsibilities of the Department of Finance and Directors of department to ensure that all contribution agreement revenues are properly budgeted and accounted for.

## **Policy**

- 19.1 Directors of department will be responsible for
- a) the negotiation of contribution agreements with the respective funding agency;
  - b) forwarding and presenting a proposed contribution agreement to the Director of Finance for approval before it may be signed;
  - c) managing use of funds in accordance with the agreement, its budget and its objectives; and
  - d) ensuring all activity reporting requirements are met.
- 19.2 The Department of Finance will be responsible for
- a) reviewing a proposed contribution agreement to ensure that the terms, conditions and funding levels are acceptable before approving it for signing;
  - b) ensuring that contribution agreements are signed by the appropriate signing authorities;
  - c) providing a copy of the final signed contribution agreement to the Director responsible;
  - d) monitoring that all funds due are received;
  - e) ensuring that all financial reporting requirements are met; and
  - f) maintaining a register of all original and signed contribution agreements.
- 19.3 All contribution agreements will include the reporting requirements.

## **Procedural Guidelines**

- 19.4 The Department of Finance will
- a) issue a new program number for the budget of the contribution agreement, allowing that some projects may have multiple applicable contribution agreements, which may have to be combined to facilitate accurate budget monitoring of the project;
  - b) input the contribution agreement budget into the general ledger; and
  - c) meet on a quarterly basis with the Director responsible to ensure all reporting requirements for outside funding are being met.

## **20. Uncollectable debts write-off**

Council requires recommendations of debts or obligations that they may consider as unrealizable or uncollectable and pursuant to the Act, direct the Director of Finance to write-off.

## **Policy**

- 20.1 The Director of Finance will by March 1 of each financial year, make annual recommendations of any debts or obligations that they consider to be unrealizable or uncollectable, for consideration by Council for write-off by the end of that financial year.

## PART 5 – EXPENSES

### 21. Spending authority

Spending must be carefully controlled and documented to preclude unauthorized and unwarranted expenses.

#### Policy

- 21.1 All expenditures of public money must be in accordance with, and for purposes specified in, the approved annual work plan and budget.
- 21.2 All expenditures will be authorized by one of the following documents, including the signature of a public officer who has been delegated the required spending authority
- a) contract (which includes a Purchase Order);
  - b) cheque requisition;
  - c) Travel Expense Claim; or
  - d) any other legal document that authorizes an expenditure of public money.
- 21.3 It is the responsibility of employees authorizing expenditures to ensure compliance with the Act, any regulations made under the Act, and this and any other applicable policies, legislation, Council resolutions and administrative directives.

#### Procedural Guidelines

- 21.4 A register of all spending authorities will be maintained by the Department of Finance.
- 21.5 At the start of each new financial year the Director of Finance will ensure all Directors of department are familiar with their delegated spending authorities.

### 22. Purchase orders

Purchase orders are the preferred form of contract to purchase goods and their use must be regulated to ensure expense control and proper authorization of purchases.

For clarification, a Purchase Order is regarded as a contract for the application of the Act, its regulations, the Financial Administration Policy and all other legal and regulatory measures.

#### Policy

- 22.1 Purchase-order books will only be issued to, and used and signed by, public officers that have been delegated the required spending authority by a valid *Delegation of Spending Authority Form*.
- 22.2 The Director of a department will be held responsible for all purchases made with purchase orders the receipt of which they have signed for.

- 22.3 A purchase order is the control item against which the supplier's invoice will be checked. All purchase orders will be fully completed and specify the following:
- a) Quantities ordered
  - b) Unit prices
  - c) Total price for each item and total for order
  - d) Free on-Board point (to determine who pays freight costs)
  - e) Delivery date
  - f) Department and expense line coding to ensure that funds are available
  - g) Full details of order (i.e., type of meeting, persons attending)

#### **Procedural Guidelines**

- 22.4 At the start of each financial year, the Department of Finance will allocate a numerical series block of pre-numbered purchase orders to each Director of department for use by their department. The Director will sign for receipt of the numerical series block.
- 22.5 The Director of department may further allocate a numerical series block of pre-numbered purchase orders to a public officer within their department who has been delegated the required spending authority by a valid *Delegation of Spending Authority Form*. The public officer will sign for receipt of the numerical series block.
- 22.6 The Department of Finance will keep a record of all allocations of purchase orders.
- 22.7 All completed purchase-order books will be returned to the Department of Finance by the Director of department that signed for receipt. Further books may be allocated in exchange at this time.
- 22.8 At the end of each financial year, the Directors of department will return any remaining blocks of pre-numbered purchase orders (used, voided, unused and in numerical order) to the Department of Finance.
- 22.9 The Director of department is responsible for ensuring that sufficient funds are available in the budget for the use of a purchase order and that it is properly coded.
- 22.10 The government purchase order is a three-part form:
- a) original to supplier
  - b) duplicate to Department of Finance
  - c) triplicate retained in originating department

Packing slips and waybills will be attached to the Department of Finance copy. Not all supplies covered by a single purchase order are received at the same time; therefore, care will be taken to indicate on the Department of Finance copy which items and how many have been received in any one shipment. In the absence of packing slips, etc., the Department of Finance copy will be notated with "Received By" and initialed and dated by the recipient.

22.11 Purchase orders can be used for the acquisition of services up to \$2000.00.

22.12 Services costing more than \$2000.00 require a service contract.

### **23. Cheque requisitions**

Certain categories of expenditures and other unusual circumstances of payment cannot be authorized by a contract or a purchase order and will instead be supported by a cheque requisition.

#### **Policy**

23.1 Cheque requisitions should be used infrequently, and only if it can be demonstrated that payments have to be made that cannot be supported by payroll, invoice, purchase order, contract or other acceptable documentation. Examples include, but are not limited to:

- a) Tr'ondëk Hwëch'in Trust disbursement grants
- b) Cash on Delivery (COD) shipments
- c) Student assistance
- d) Bereavement assistance
- e) Medical policy grants and assistance
- f) Reimbursements to individuals for government purchases
- g) Casual payments
- h) Fees or honoraria
- i) Donations

#### **Procedural Guidelines**

23.2 A *Cheque Requisition Form* will be completed before a payment is issued. The *Cheque Requisition Form* will be signed by a public officer who has been delegated the required spending authority by a valid *Delegation of Spending Authority Form*

23.3 The *Cheque Requisition Form* will specify the name of the payee, the amount of payment and the reason for the type of payment and correct coding. If the cheque requisition is for a reimbursement, all receipts, and any other required documentation, will be attached.

23.4 The Director of department is responsible for ensuring that sufficient funds are available in the budget for the use of a cheque requisition and that it is properly coded.

23.5 The *Cheque Requisition Form* will be retained by the Department of Finance as a verification of payment.

23.6 An employee picking up a Cash on Delivery (COD) order must return all the documentation regarding the purchase to the Department of Finance once the item is picked up.

### **24. Credit cards**

Government credit cards must be used in a proper and transparent manner and with sound financial management and full accountability.

**Policy**

- 24.1 Proper documentation to support a credit card charge will include an original receipt and a Payment by Visa form. All receipts are to be itemized and clearly show what items have been purchased. A credit card payment slip will not be accepted as a receipt.
- 24.2 All unauthorized personal charges and all charges made without proper supporting documentation are to be considered a personal purchase of the card holder and reimbursed as a debt obligation to the government by the card holder. A 10% administration fee will be added to such reimbursements.
- 24.3 Failure to reimburse will result in recovery of the debt obligation by a payroll deduction from the card holder's next pay. Pursuant to section 18, agreement to this by the card holder is required in advance by signature of the *Credit Card Use Acknowledgment Form*.

**Procedural Guidelines**

- 24.4 Credit card holders are responsible to
  - a) consult the Department of Finance if they have any uncertainty if an expense is valid for use of a credit card;
  - b) provide all the proper documentation supporting a charge to the Department of Finance within 10 days of the charge and ensure that such documentation is coded to the correct department and program or project line;
  - c) report and make arrangements with the Department of Finance to reimburse any unauthorized charges;
  - d) immediately report lost or stolen credit cards to both the issuing financial institution and the Department of Finance; and
  - e) inform the Department of Finance when a card needs to be cancelled or reassigned.
- 24.5 The Department of Finance is responsible to monitor all charges on credit cards and ensure that proper supporting documentation accompanies each purchase and that each charge is a valid government expense.

**25. Accounts payable and payroll processing**

Council wishes to set clear service standards for the processing of payroll and accounts payable to maximize efficiencies, minimize costs and preserve the strong financial reputation of the government.

**Policy**

- 25.1 Employees will be paid biweekly on Fridays in accordance with their rate of pay as specified in their Letter of Employment. If the Friday is a statutory holiday, they will be paid on the prior working day.

25.2 All accounts payable will be paid within the terms stated on the invoice or within 28 days of receipt, whichever is the earlier.

### **Procedural Guidelines**

25.3 Accounts payable will be processed weekly. The cut-off for invoices and pertinent documentation to be submitted to the Department of Finance will be end of day on the immediately prior Wednesday.

25.4 All invoices will be verified and, where applicable, shall be compared to the purchase order and any other backup documentation provided to verify that

- a) It is addressed to the government;
- b) all extensions and additions on the invoice are accurate;
- c) the items invoiced have been received and the packing slips are attached;
- d) the unit and, or the total price invoiced match the amount on the purchase order;
- e) the freight and mailing charges are payable; and
- f) the coding of the invoice is correct.

25.5 Provincial sales tax will be deducted from invoices if charged. An explanatory note to the supplier that provincial sales tax is not levied on exports to the Yukon will be provided.

25.6 Any discounts offered for early payment will be taken advantage of.

25.7 Two Department of Finance officers will verify all invoices to be processed.

25.8 All medical policy grant and assistance requests and NIHB medical travel advances will be reviewed by the Department of Finance before being issued to ensure client eligibility.

25.9 Employees will only be paid if they have satisfied all their responsibilities to provide documentation for payment, as required by the Human Resources Policy.

25.10 The Director of Finance will issue further administrative directives as required respecting

- a) payments made from the consolidated fund;
- b) the form in which payments shall be made;
- c) the way in which payments shall be authenticated; and

## **26. Goods and services tax**

All GST paid by the government must be accounted for and all rebates claimed.

### **Policy**

26.1 No GST will be paid if the company invoicing does not provide a valid GST number on the invoice.

26.2 The Department of Finance will apply to the Canada Customs and Revenue Agency for GST rebates annually in accordance with section 15.7 of the Tr'ondëk Hwëch'in Self-Government Agreement.

## **Procedural Guidelines**

- 26.3 For all invoices that charge GST, the Department of Finance will
- a) ensure that the business charging the GST has a valid GST number on its invoice;
  - b) check and verify that the GST charged on the invoice is calculated correctly; and
  - c) code the GST payable separately
- 26.4 GST rebate claims for government activities not situated on Settlement Land will be filed in accordance with the category designated by Canada Customs and Revenue Agency for that activity.
- 26.5 GST rebates for government activities earning revenues from the sale of goods and services will be filed in accordance with the category designated by Canada Customs and Revenue Agency for that activity.

## **27. Petty cash**

Petty cash is used solely to minimize the use of cheques for small, frequent expenses and reimbursements.

### **Policy**

- 27.1 The Department of Finance will maintain a petty cash fund of \$200.
- 27.2 An authorized Department of Finance employee will approve all petty cash disbursements.

### **Procedural Guidelines**

- 27.3 Petty cash vouchers will be completed and signed by both the public officer receiving and the public officer issuing the money.
- 27.4 Receipts for all expenditures will be attached to each voucher.
- 27.5 All receipts from the petty cash will be expensed when required.
- 27.6 Petty cash will be replenished as required and the balance verified each time.

## **PART 6 – SPECIFIC EXPENSES**

### **28. Travel**

All travel will be justified, properly authorized and accounted for. Travel arrangements will be efficient and managed to minimize the expenses and the risks to the traveller and to Tr'ondëk Hwëch'in.

Persons travelling on government business will be afforded transportation and accommodation that are comfortable and of good quality. Allowances, rates and conditions of payment and reimbursement will be sufficient to meet reasonable and legitimate expenses that are necessarily incurred as result of the requirement to travel, and to minimize out-of-pocket expenses.



## **Policy**

### *Timing*

- 28.1 Depending on the means of transportation and consistent with this policy, if a person, travelling during normal business hours on government business, can reach their destination on the day of departure, the traveller shall depart on that day and not on the day before. The same applies for the return travel.
- 28.2 In the interest of the safety, the travel itinerary and associated expenses will ensure that the traveller will not drive more than
- a) 240 kilometres, or two and one-third hours, after having worked a full day;
  - b) 320 kilometres, or three and one-half-hours, after having worked one half day; or
  - c) 640 kilometres, or seven hours, on a day the employee does not work.
- 28.3 Travellers who attend a meeting located near their government office will be absent from the workplace only for the length of time required to attend the meeting.
- 28.4 If a traveller's vacation occurs in conjunction with travel on government business, the traveller will clearly indicate on which days they are travelling for the government and which days are vacation. Meals, incidentals and hotel costs will not be covered for the vacation portion of the travel.

### *Transportation*

- 28.5 Except for short travels where the use of a vehicle is more economical, air travel will be the preferred method of transportation. The most economical seat class available will be used.
- 28.6 Where the use of a vehicle is authorized, government vehicles will be used whenever possible.
- 28.7 All travellers on government business who attend the same function will carpool.
- 28.8 If a traveller uses their personal vehicle, they will have adequate insurance coverage for work use. Proof of such insurance will be provided before the respective travel expense claim is authorized.
- 28.9 Where no government vehicles are available, employees who use their own vehicle to run errands for the government within the City of Dawson will log this use and be compensated at the standard rates.

### *Accommodation*

- 28.10 The Department of Finance will maintain a preferred list of hotels in which Tr'ondëk Hwëch'in entities have an ownership stake. In the Yukon, travellers will use accommodation from the preferred list of hotels if a standard room or basic kitchenette is available within the ceiling cost rate.
- 28.11 In the Yukon or elsewhere, if accommodation is made available by an event organizer or a funder at a reduced net cost to Tr'ondëk Hwëch'in, the traveller will use this accommodation.

- 28.12 Only standard rooms and basic kitchenettes will be used at government expense.
- 28.13 Hotels chosen will be as close to the location of a meeting or an event as possible.
- 28.14 If a person is travelling with a pet, they will be responsible for any hotel pet fees and all damages caused by the pet.
- 28.15 Meals, personal long-distance calls, movie rentals, laundry and any other personal expenses charged to the hotel room are expenses for which the traveller will not be reimbursed.

#### *Childcare*

- 28.16 Childcare costs will only be reimbursed if the traveler is required to travel, and the reimbursement has been approved.
- 28.17 Childcare costs will not be paid to the traveller's spouse, child's parent, or family members who reside with the traveller.

#### *Travel Expense Rates*

- 28.18 Required travel expense rates that are not included in the posted Government of Yukon rates will be approved annually by Council as part of the annual budget approval. These will include, at a minimum:
  - a) Childcare costs; and
  - b) Hotel room cost ceilings
- 28.19 In the case where a government vehicle is used, it will be signed out with a full fuel tank and a government fuel card will be used for all fuel purchases if available. If no card is available, all actual costs associated with the fuel or other necessary expenses will be reimbursed, when substantiated by receipts only. An advance may be given to cover fuel or other necessary expenses for the travel. If the advance is more than the actual costs, the traveller will reimburse the government for the unused amount of the advance.
- 28.20 In the case where a vehicle is rented, all actual costs associated with the rental, fuel or other necessary expenses will be reimbursed,
- 28.21 In the case where no government vehicle is available and the traveller uses their own vehicle, the traveller will be reimbursed according to the approved travel expense rate.
- 28.22 In the case where a government vehicle is available, but the traveller chooses to use their personal vehicle, they will be reimbursed at only 50% of the approved travel expense rate. However, if the expenses are reimbursed by another organization then the traveller will be reimbursed that amount up to the approved travel expense rate.
- 28.23 In the case where the traveller chooses to use their personal vehicle for travel outside Yukon and

Alaska instead of flying, they will be reimbursed for only the amount equivalent to a regular return flight to the approved travel destination.

- 28.24 If the traveler is confronted with any unusual or additional valid travel costs, the Director of Finance may approve reimbursement when substantiated by receipts only.

#### **Procedural Guidelines**

- 28.25 The Director of Finance is responsible for ensuring monitoring procedures are established to ensure all travel expenses are in compliance with the Act, the *Financial Administration Regulations*, the Financial Administration Policy, and all other legal and regulatory measures associated with travel expenses.
- 28.26 All Air North flight bookings will be made directly with the airline by the Department of Finance.
- 28.27 Hotel rooms and airfares will be paid by purchase order whenever possible or with a government credit card.
- 28.28 A complete *Travel Expense Claim Form* must be submitted to the Department of Finance by noon on the Wednesday immediately prior to the travel for an advance payment to be made. If the complete *Travel Expense Claim Form* is not submitted to the Department of Finance by this time, the traveller will be responsible to pay for their associated own travel expenses out-of-pocket and be reimbursed after returning.
- 28.29 Advance payments will be released no earlier than the last working day before the expected travel.
- 28.30 A request for reimbursement for childcare costs will be included on the initial *Travel Authorization Form*. Childcare costs will be paid directly to the caregiver whenever possible. If the traveller pays the caregiver out-of-pocket, a receipt will be required for reimbursement.

#### **29. Honoraria**

Members of boards, commissions and committees and other authorized delegates of Tr'ondëk Hwëch'in are compensated for time spent at meetings or other events at established honoraria levels of remuneration.

#### **Policy**

- 29.1 The standard rate for honoraria will be \$30 per hour to a maximum of \$240 per day.
- 29.2 The rate for honoraria for Elders aged 55 and older who are serving as Traditional Knowledge Keepers, Elders in the School, or on Elders Council will be \$45 per hour to a maximum of \$400 per day.
- 29.3 Lost wages will not be compensated beyond the honorarium rate.
- 29.4 Honoraria will not be paid in advance.

#### **Procedural Guidelines**

- 29.5 All requests for payment of an honorarium will be made by completion of a *Request for Honorarium Form*. The form will be signed by the member or delegate and the Director of the department that approved their participation and who has been delegated the required level of spending authority.
- 29.6 Proof of attendance at the respective meeting will accompany the *Request for Honorarium Form*.
- 29.7 Honoraria payments will be paid through the next payroll after acceptance of the completed *Request for Honorarium Form*.

### **30. Elders' benefits**

Elders are provided benefit payments and assistance with fuel costs subject to household income levels.

#### **Policy**

- 30.1 To be eligible for the Elders' benefit or fuel subsidy payment, an Elder must benefit from only one Land Claims Agreement in or outside of Canada.
- 30.2 The government will issue a monthly Elders' benefit payment in the amount of \$200 to eligible Elders 60 years of age and older with annual income of \$39,000 or less. An additional \$100 will be paid in the month of December.
- 30.3 Elders will be eligible for a retroactive fuel subsidy payment for a calendar year period if they are
- a) 55 years or older; and
  - b) their household income for the respective calendar year is \$50,000 or lower.
- 30.4 The fuel subsidy payment amount for the calendar year period will be subject to household income based on the Notice of Assessment for the respective calendar year. Household income includes everyone living in the residence that received income. Eligible Elders will receive
- a) a 100% subsidy if their household income is \$32,000 or less; or
  - b) a 50% subsidy if their household income is \$32,001 to \$50,000.
- 30.5 The Elders' benefit will be paid retroactive to the date of application only and not before this date.
- 30.6 After the Elder's death, their estate will be paid out for the month during which the death occurred.

#### **Procedural Guidelines**

- 30.7 The Citizenship Registrar will notify the Department of Finance a month in advance if any citizens will be turning or have turned sixty years old. The Department of Finance will then send out a package to the citizen containing all the necessary information needed to start processing the monthly benefit payments. Payments will start only after all the documentation has been returned.
- 30.8 The Department of Wellness may verify the eligibility age of the applicant for Elders' benefit or fuel

subsidy payment by one of the following means:

- a) Name on Tr'ondëk Hwëch'in Beneficiary List;
- b) Birth certificate;
- c) Baptismal certificate;
- d) Delayed birth certificate; or
- e) In the case where the birthdate of an Elder is unclear, provision of three Statutory Declarations.

30.9 In March of each year the Department of Wellness will notify Elders to apply to the Department of Finance for the fuel subsidy payment by completion of a *Request for Fuel Subsidy Payment Form*. The application will include provision of the required household income verification based on the Notice of Assessment for the respective calendar year.

30.10 All Elders applying for a fuel subsidy payment will be notified in writing which category their household falls under and what payment they can expect to receive. Payments will be made only after the completed application is received and approved.

30.11 Payments will normally be made through payroll by direct deposit to the Elder's bank account. Arrangements for cheque payments may be made through the Department of Finance if required.

### **31. Office and operations expenses**

Management of Government Administration general office and operations expenses is clarified to provide for efficient control of costs.

#### **Policy**

31.1 The Department of Executive, Governance and Operations will be responsible for all general office and operations expenses including, but not limited to, rent, utilities, telecommunications etc.

31.2 No administration fees will be charged to the departments for general office and operations expenses except for those related to activities funded by contribution agreements if the fees are an eligible and budgeted expense funded by the agreement.

31.3 The Executive Director will approve the issuance of all government cell phones.

31.4 Government cell phones will only be used for government business.

31.5 Employees may be held personally responsible for any cell phone expenses found to be attributable to their personal use of a government cell phone.

31.6 The government will not be responsible for reimbursing employees for their personal internet connection and related charges.