

<b>Policy Name:</b>	<b>FINANCIAL CONTROL AND ACCOUNTABILITY</b>		
<b>Policy Number:</b>	<b>GOV-302</b>	<b>Formerly</b>	<b>BG-302</b>
 West Elgin Community Health Centre	<b>Creation Date:</b> <b>February 2000</b>	<b>Reviewed Date:</b> <b>June 2021</b>	<b>Approved by:</b> <b>Board of Directors</b>

## SUMMARY

The Board of Directors (the “Board”) of the West Elgin Community Health Centre (the “Centre”) is responsible for ensuring that the Centre meets its financial responsibilities and objectives. To this end, the Board is responsible for ensuring that the proper internal financial controls have been established and are being followed. The Board may appoint a Finance Committee to oversee the Centre’s finances. Orientation of the Finance Committee and/or Board Directors to the Centre’s Financial Policies will be delegated to the Executive Director.

## POLICY

At no time will the Centre operate with a projected deficit position at year end. The Board delegates responsibility to the Executive Director to manage the Centre’s finances and cash flow on a day-to-day basis but ultimately the Board is responsible for ensuring that the Centre meets its obligations.

## PROCEDURE

To ensure that the Centre does not operate in a deficit position, the following rules and procedures have been adopted and must be followed:

- The Centre will operate under an accrual system of accounting and the Centre’s financial records will be prepared in accordance with generally accepted accounting principles applied on a consistent basis.
- All funds received by the Centre will be properly accounted for in the Centre’s records in a timely manner, and Directors will have access to up-to-date financial reports and information upon request. Any contract entered into for the purchase of goods and services must be in writing and include a description of the goods and services to be received and procedures for fee payment.
- The Centre will operate under the purchasing guidelines of the Ministry of Health and Ontario Health and its own Financial Procedures Manual. In the event that any program or service of the Centre is outsourced and funds are to be paid to any third party, the Centre will enter into written agreements with such third parties receiving such funds that outline accountability requirements.
- The Centre will operate under the terms of its annual budget as approved by the Board. The Executive Director will be responsible for ensuring all expenditures are within budget and are charged to the appropriate account. The Board will be provided with quarterly financial statements on a timely basis. The Finance Committee will review statements monthly. Such statements will include a balance sheet and revenue and expense statement, in each case showing actual

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and budgeted year to date financial information and explaining any variances exceeding both 5% and \$5,000.

- The prior approval of any funder will be obtained where required before changing any expenditure related to its funding.
- The Centre's annual audit will be completed, and the draft audited financial statements will be prepared, for submission to the funder by the June 30th deadline each year. Prior to submission, the financial statements will be presented to the Finance Committee and then the Board for review and approval
- The Board will ensure that, where possible, any recommendations of the auditor are implemented within three months of their receipt of such recommendations. To this end, the Executive Director will ensure that sufficient information is available to the Board in order to develop a plan for addressing any auditor recommendations.
- Revisions to the Financial Procedures Manual will be done in consultation with the Finance Committee and in accordance with governing body requirements.