

**POLICY TITLE:**

FINANCIAL ADMINISTRATION POLICY

**POLICY STATEMENT:**

The purpose of this policy is to allow for the effective financial management of the Town of Rainbow Lake. This policy will provide clear guidelines for administration and for Council to protect the operations and assets of the Town.

The provisions contained herein shall be applicable to all Town elected officials, employees, volunteers and persons providing contracted services to the Town.

**EFFECTIVE DATE:**

July 6<sup>th</sup>, 2020

**DEFINITIONS:**

**1.1** In this policy:

- a) "CAO" shall mean the Chief Administrative Officer of the Town of Rainbow Lake
- b) "Council" shall mean the Council of the Town;
- c) "Town credit card" is an official Town credit card used for Town expenses per the Credit Card Usage Procedures;
- d) "expenditure officer" means the employee who is authorized to approve an expenditure pursuant to the Expenditure Accountability Framework Procedure;
- e) "payment" shall mean the payment (disbursement) of Town money to another person typically using one of the following payment methods: cheque, electronic funds transfer, wire, corporate credit card transaction, or another approved settlement method;

- f) "Town" shall mean the Town of Rainbow Lake;
- g) "Town money" shall mean funds budgeted, owing, collected, received, or held by any person for the benefit of the Town, or held by the Town in trust or for any other person.

**POLICY GOALS AND  
OBJECTIVES:****Authority of Chief Administrative Officer**

- 2.1 The CAO shall be responsible for the implementation of this policy.
- 2.2 The CAO may delegate any or all of the CAO's powers, duties, or functions including the power to further delegate those powers, duties, or functions, to an employee.
- 2.3 The CAO may, if the circumstances of a financial transaction are not adequately addressed by the procedures accompanying this policy, approve exceptions in writing. Any exceptions must provide adequate financial control, appropriate authorization, and mitigate the risk of loss, misappropriation, or theft.
- 2.4 The CAO, or designate, may conduct reviews, audits, or checks at any time without notice to ensure compliance with this policy, including its accompanying procedures.

**Accountability**

- 3.1 The CAO shall bear primary responsibility for ensuring that financial transactions are prudent and that employees exercise good judgement in determining their propriety. Employees who are responsible for managing program delivery within budgetary allocations are responsible for the financial transactions and results of that program or project including compliance with the financial controls in this policy and its accompanying procedures.
  - An employee must not make a payment of Town money to an external party prior to approval from the appropriate expenditure officer in accordance with the Expenditure Accountability Procedure. Once a payment is approved, the employee must make the payment in accordance with the Payment of Town Money Procedure.
  - Use of Town credit cards must adhere to the Credit Card Usage Procedure.



- Any employee that receives Town money must comply with the Handling of Town Money Procedure.
- Any employee that handles petty cash, program cash, or floats must comply with the Imprest Funds Procedure.
- To be reimbursed for business expenses an employee must comply with the Employee Business Expenses Procedure.

3.2 Failure to comply with the provisions of this policy and its accompanying procedures could lead to appropriate corrective action, which may include discipline up to and including termination of employment.

**Amendments:**

This policy may, from time to time, may be amended by a majority vote of the Town Council of Rainbow Lake, at a regularly scheduled Council meeting.



Mayor



Chief Administrative Officer

NEXT REVIEW DATE: NOVEMBER 1, 2025