ALIGNMENT WITH NOT-FOR-PROFIT BEST PRACTICES

This policy aligns with governance best practices for a not-for-profit corporation operating within a policy governance model.

A. BOARD AND EXECUTIVE DIRECTOR OBLIGATIONS

The Board of Directors ensure that appropriate internal financial and operational controls are in place which protect the Association from any risk of financial mismanagement.

The Executive Director is responsible for proposing, implementing, validating, and following those procedures, and to report proactively to the Board when a variance occurs.

B. OFFICERS AND STAFF GENERAL OBLIGATIONS

All MAPS officers and staff have a responsibility under this policy to:

1. Understand delegations of authority, their limits, and act within them.
2. Employ the policy consistently in order to establish appropriate norms within MAPS.
3. Be empowered to ask questions (with no risk or fear of reprisals).
4. Advise the Executive Director if a violation of this policy occurs.
5. Advise the President if the violation pertains to an act of the Executive Director.
6. Advise another member of the Board, if it is not practicable or imprudent to speak to the President (e.g. the President is aware or complicit, and the practice does not change) or if the President fails to inform the Board.

C. REQUIREMENT TO ENSURE FUNDS AVAILABLE

No one may agree to or approve an expense, or any other instrument that has the same effect, without confirming funds are available with either the Vice-President (Finance) or the Executive Director.

The V-P (Finance) or the Executive Director may confirm funds are available if:

(a) the expense was included in the annual budget and the current budget is within 5% of the projected budget for the same period (committed funding);

(b) there are surplus funds in the operating budget to fund the cost as a result of increased revenue or reduced costs (offset funding) which have not already been reallocated; or (c) the Board approves the expense.

Approved: November 2014
**D. PURCHASE AUTHORIZATIONS FOR ITEMS WITHIN BUDGET**

Purchase authorizations for items within budget shall be in accordance with Policy 004 – Expense Reimbursement and Procurement. Where a second signing officer is needed, it shall normally be the Vice President Finance after appropriate review.

**E. EXECUTION OF EMPLOYMENT AGREEMENTS**

For employment agreements for positions within budget and the total compensation is no more than $65,000, the employment agreement may be executed by two signing officers, which shall normally be the Executive Director and Vice President Finance.

For all other employment agreements (e.g. total annual compensation is greater than $65,000; position not within budget), the Board must approve first approve that the position be created, and then approve the employment agreement. After approval, the agreement may be executed by two signing officers, which shall normally be the Executive Director and Vice President Finance.

**F. EXECUTION OF CONTRACTS**

Any contract for services or products must follow Policy 004 – Expense Reimbursement and Procurement.

Contracts with an annual value of no more than $40,000 and are within budget, may be executed by two signing officers, which shall normally be the Executive Director and Vice President Finance.

For all other contracts (e.g. those with an annual value greater than $40,000; are not within budget; or are sole-sourced):

1. The Board shall first explicitly approve soliciting the contract and amending the annual budget.
2. Once approved, the contract may be executed by two signing officers, which shall normally be the Executive Director and Vice President Finance.

**G. CHEQUES AND FINANCIAL INSTRUMENTS**

Association cheques or other financial instruments issued for budgeted expenses, requested or recommended by the Executive Director, may be executed with normal signing provisions, when:

1. No more than $20,000
2. Between $20,000 and $40,000 first approved in writing by three officers.
3. Greater than $40,000 or not recommended by the Executive Director, if approved by the Board.

Normal signing provisions means endorsement of the cheque or financial instrument by two signing officers, which shall normally be the Vice-President (Finance) and one other officer.

A signing officer may not sign a cheque or financial instrument on behalf of the
**H. CORPORATE CREDIT CARDS**

Officers and employees (corporate cardholders) may be issued a corporate credit card to enable the purchase of budgeted expenses, approved items, and non-board related travel expenses. The Board will set a global limit on the credit facility and a limit for each credit card.

Corporate card holders may only use a corporate credit card as provided for in this policy, specifically sections B, C, and D.

Lost or stolen corporate credit card are to be reported to the financial institution which issued the card and the Executive Director.

Corporate credit cards may not be used for personal expenses.

**I. BOARD’S DISCRETION RE: APPROVAL/EXECUTION RESERVED**

Nothing in this or other policies takes away from the Board’s discretion to explicitly approve a transaction and direct the manner in which and the person by whom a particular document or type of document shall be executed.

**J. ROLES OF PRESIDENT & CORPORATE SECRETARY MINUTES AND FILINGS**

In addition to the duties detailed in the by-laws, the President and Corporate Secretary are responsible for and authorized to sign approved final minutes of the Board and General Meetings on behalf of the Association.

The Corporate Secretary is also responsible for and authorized to submit updates/filings for the government corporate register and other agencies as required.

For clarity, this does not include employee source deductions, WSIB materials, or analogous materials.

**J. DESIGNATION OF THIS POLICY**

This policy is designated as materially important. To change it, the Board must provide the membership with notice of intent to change the policy. For more information, see Policy 003.
APPROVED BY THE BOARD.

November 11, 2014

Jacqueline Arlen, President

David Moore, Secretary