

 BOARD POLICY	Policy Name: Approval of Expenditures	Policy Number: 2.7	
	Approval Signature:	Section: Finance	Page 1 of 2
	Supersedes:		
	Approved by Board: June 23, 2025	Next Review Date: 2027	
	Policy Contact (Position): Executive Director	Name of Responsible Committee: Executive Committee	

APPROVAL OF EXPENDITURES POLICY

1. PURPOSE

The purpose of this policy is to establish clear and transparent procedures for the approval and oversight of financial transactions within the Northern Association of Community Councils Inc. (NACC) to ensure fiscal responsibility, accountability, and alignment with organizational goals. This policy outlines the processes for approving monthly financial statements, account payables, capital expenditures, and professional service contracts, and emphasizes the importance of Board and Executive approval for significant financial decisions.

2. AUTHORITY

Under NACC By-laws, directors may adopt, amend, or repeal policies relating to the governance, management, operation, and affairs of the Corporation that are not inconsistent with the NACC's By-laws, as the directors may deem appropriate from time to time.

3. POLICY

General Requirements

- (a) The monthly financial statements: general ledger, balance sheet, cheque detail, bank reconciliation, bank statement, credit card statement and credit card reconciliation shall be approved by the Board of Directors on a monthly basis.
- (b) Account Payables shall be approved by the Executive, prior to payment. Regular and reoccurrences accounts payable, such as phone, internet, hydro, rent shall be approved by the Executives annually by resolution in the last month of fiscal year.
- (c) All decisions of the Executive relevant to irregular payments of accounts will be recorded in the minutes of a meeting.

- (d) Whereas payments are made in connection with any contract, the Executive will hold back 15% of the contract price until the contract has been completed to the satisfaction of the NACC.
- (e) All capital expenditures greater than \$2,500 must be approved by the Executive. Capital expenditures include all assets with a life span beyond two (2) years.
- (f) All professional service contracts with consultants or professionals require the approval of the Executive.
- (g) All professional service contracts with consultants or professionals exceeding \$5,000.00 per month require the approval of the Board of Directors.
- (h) No unilateral decision on expenditures by individual board members will be valid or implemented by the staff of NACC. Proper authorization by the Executive, or the Board of Directors, to the extent that each has authority under these regulations, will be a pre-requisite to the actual expenditure of the available fiscal resources of NACC.
- (i) Expenditures of public funds shall be made to enhance the objectives and goals of NACC for the general benefit of the NACC membership.

4. MONITORING AND REVIEW

This policy will be reviewed every two (2) years by the Executive Committee or more frequently if required to ensure compliance with any changes in employment standards to ensure its continued relevance and alignment with the NACC's operations. Changes to the policy will be documented and communicated to the Board for approval.

5. BOARD ACCEPTANCE

This policy will be approved by the Board of Directors. The President / Chair of the Board will sign and date the policy to indicate its approval and adoption.

Reviewed: June 23, 2025

Revisions Approved: June 23, 2025