



# GFOA ALBERTA

## Policy Development

# HANDBOOK

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**The Multi-Year Budget:**

- administration will collaborate with the Association's Treasurer to create a budget for each department's/project's operational plan. The multi-year budget will reflect the work outlined in the operational plan and include the following:
  - o activities required to complete the work,
  - o resources required to conduct planned activities,
  - o staff resources necessary (including salaries and benefits)
  - o additional expenditures (travel, supplies, consultants, postage, telephone).

**Long-Range Fund-Raising Plan:**

- The long-range revenue strategy helps the Board and Administration to ensure that the funding necessary to conduct its annual operational plan and to fulfill its long-range strategic plan. A long-range revenue strategy includes steps to identify the funding needs of the Association, and the Association's potential sources of income or support.







### **Election of the Board**

The Board shall appoint a nominating committee comprised of two (2) active members in good standing who shall select not less than one name, from the active membership in good standing, for each Director position which is to be filled at an AGM. The annual nomination of the nominating committee will follow a succession order of positions should the representatives be interested in continuing on with the Board and holding a different position and will include any other nominee whose name has been brought forward.

Additional nominations may be made from the floor at the AGM by an active member in good standing.

All manner of holding elections and the rules of procedure pertaining thereto shall be prescribed by the Board.

### **Length of Office**

A member of the Board shall not hold the office of President, Vice-President, Secretary, or Treasurer for more than 3 consecutive years, unless it is determined by acclamation as no other positions are available or nominations submitted.

### **Recruitment Considerations**

#### **1. Size and Type of Governmental Bodies:**

It is generally agreed that the Board should be composed of members representing a variety of sizes and types of governmental units. The nominating committee should review the current representation on the Board (mixture of both larger and smaller local governments) when presenting the slate of candidates to the members. This representation should include members from large, intermediate and small government units. In addition, they may represent counties, cities, towns, villages, summer villages, special districts and other forms of local government.

#### **2. Representation from the Province:**

Representation from the Province would be considered an asset to the Board and enhance communication between Municipal Affairs and the membership.

#### **3. Balance of Regional Representation:**

The nominating committee should consider candidates for positions on the Board who represent both the northern and southern regions of the Province.

**4. Balance of Experience:**

Individuals nominated should represent a varied experience in governmental finance. Task Force members who are interested in moving to Board level representation would be considered an asset.

**5. Communication Abilities:**

Individuals nominated should possess an understanding of the current goals of the organization and be able to effectively communicate those goals. Notwithstanding the criteria set out above, the Board will actively solicit and review applications from all members.

**Member Information Form**

The Nominating Committee may request nominated individuals to complete a Member Information Form (attached as Appendix A).









- Perform such other matters as may be deemed to pertain to the advancement, welfare and best interests of the Association and its members.

The **Responsibilities of the President** include the following:

- When present, preside at all meetings of the members of the Association and the Board of Directors.
- Shall be responsible for the general management and supervision of the Executive Director.

The **Responsibilities of the Vice-President** include the following:

- Shall assume the duties of the President in the absence of the latter.

The **Responsibilities of the Secretary** include the following:

- Shall attend all annual, general and special meetings of the Association and all Board meetings and ensure accurate minutes are maintained
- Shall be responsible for the nominations and operation of the Board of Directors election at the AGM.

The **Responsibilities of the Treasurer** include the following:

- Shall review financial operations of the association and present results quarterly, at a minimum.
- Shall submit to the Annual Meeting a statement duly reviewed as hereinafter set forth of the financial position of the Association and shall submit a copy of same to the Secretary for the records of the Association.

The **Responsibilities of the Municipal Affairs Representative** include the following:

- Shall act as a liaison between the Department of Municipal Affairs and the Board of Directors providing relevant information facilitating collaboration with the Department.

The **Responsibilities of the Immediate Past President** include the following:

- Ensure continuity between the previous year and current year, and for chairing the nominating committee.

***\*GFOA Alberta Organizational Chart\****







- vii. The Terms of Reference for Ad Hoc Committees will be reviewed annually by the respective committee, which will make recommendations to the Board for revisions as appropriate;
- viii. Ad Hoc Committees may not speak or act for the Board, except when formally given such authority for specific and time-limited purposes. Such delegation will be framed to not conflict with the authority delegated to the Executive Director.
- ix. Unless otherwise specified, Ad Hoc Committees may not commit or bind the Association to any course of action and no decision of a committee is binding on the Board, until approved or ratified by the Board;
- x. Unless otherwise authorized to do so, an Ad Hoc Committee may not engage independent legal counsel or consulting advice without prior Board approval.



### Private Vehicle Travel

In exceptional circumstances, mileage allowances are paid for the specific purpose of reimbursing representatives for the actual cost of using their vehicles on GFOA Alberta business. When applicable, the Representative will be reimbursed at the rate prescribed by the Province of Alberta.

Where mileage allowance is not provided, the cost of fuel will be reimbursed with supporting receipts.

### Ground Transportation

Representatives on travel status may, upon submission of a receipt, claim the actual and reasonable cost of public transit, taxi, and rental car or airport bus service incurred for business purposes. Representatives are encouraged to utilize public transit as a first means of transportation whenever possible.

### Parking

Parking fees will be reimbursed at actual cost when supported by receipts. Normal meter parking fees may be claimed without a receipt.

### Air Travel

Representatives are required to take advantage of seat sales and excursion rates wherever possible, but in no instance are permitted to travel at a cost exceeding economy airfare rates. Reimbursement is for the actual cost of the fare and must be supported by receipts.

### **Accommodations:**

Representatives on travel status required to be away from their regular place of residence overnight may claim the actual and reasonable cost of commercial accommodation upon production of a receipt. Alternatively, representatives may claim an allowance of \$50.00 per night if staying at private, non-commercial accommodation. The claiming of an accommodation allowance does not require a receipt.

### **Meals:**

When traveling on Association business, Representatives may purchase a meal and claim either the actual cost of a meal or a meal allowance. The actual cost of the meal is the amount shown on the receipt, excluding alcoholic beverages, plus a gratuity of up to 15 percent of the meal cost. The meal allowances are equivalent to the rates prescribed by the Province of Alberta for breakfast, lunch and dinner. The claiming of a meal allowance does not require a receipt. In an effort to keep membership fees as low as possible, the Board, Task Forces and Special Committees, as volunteer members, are encouraged to pay for their meals during travel.



**Extraordinary Expenses:**

If unusual expenses, not outlined in this policy are incurred, Representatives may be entitled to reimbursement of the costs upon presentation of receipts and approval by the President.

**Travel Outside Canada:**

Any travel out of country by a GFOA Alberta Representative where costs may be incurred by the Association, must be approved by the Board prior to travel. Upon approval, the travel and subsistence rates provided by the Association may be claimed by the Representative at a rate equivalent to the currency of the country in which the expenditure was incurred.

**Procedure:**

Expense claims are to be completed as soon as possible after return from travel on the attached Travel Claim form.

The GFOA Alberta President and Treasurer will approve the Travel Expense Claim form for reimbursement.













- Minutes of all Board meetings will be recorded by the Executive Administrator.
- The Minutes are to clearly show resolutions and action points and who is to complete the action
- The Minutes will be available two weeks after the meeting is held whenever possible.
- Minutes of the previous meeting will be presented for approval by resolution at each Board meeting.

### **Meeting Procedures**

#### General:

- Meetings are held with the expectation that Board members have prepared for the meeting and will participate in all discussions at all times within the principles of acceptable behaviour.
- Meeting times and dates are established by the Executive Administrator based on the Board input regarding availability.
- Board meetings (via teleconference) will generally be held at least once per month.
- In-person meetings shall be held annually in the fall. Additional in-person meetings will be at the discretion of the Board.
- Quorum at Board meetings is 5 out of 9
- All Board members, including the President, have an equal vote in decision making and are expected to vote on all matters before the Board.
- A carried motion requires a majority vote of present Board members.
- Tie votes result in a defeated motion.
- Any Board member with a conflict or pecuniary interest in any issue shall not take part in any debate on such issues and will be asked to leave the meeting for the duration of the debate.

#### Special meetings:

- A special meeting may be called by the President at their discretion.
- Advance notice of special meetings should be provided where possible to all Board members, the Executive Director and the Executive Administrator.



### Closed Meetings:

- The meeting may, by resolution, be closed to the public for any reason allowed for in the *Freedom of Information and Protection of Privacy Act*.
- No decisions of the Board may be made in a closed session.
- A resolution is required to both close the meeting and re-open it.
- The Board has the discretion to include any individuals it so chooses in a closed session.

### Member Participation

- Members at large with issues for the Board must contact the President who will decide if it's appropriate that the member attend a future Board meeting to discuss the matter further.
- Board approved Minutes will be posted to the Members Only section of the website for reference by Members.

### Motions/Amendments:

- Motions and amendments do not require seconding.
- Motions and amendments once proposed may be withdrawn.
- Any Board member may propose an amendment to any motion regardless if they made the original motion.
- No further amendments may be accepted until the first one is disposed of.
- A matter already discussed may not be reintroduced at the same meeting in any guise or by way of an amendment.
- Defeated motions may not be reintroduced to the Board unless a motion allowing for the reintroduction of the issue is first passed.

**Agenda Format**

**AGENDA**  
**GFOA Alberta Board Meeting**  
**Date**  
**Location**  
**Time**

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- 1. Welcome / Introductions**
- 2. Additions to / Adoption of Agenda**
- 3. Minutes**
  - a. Date of minutes
- 4. New Business**
  - a. Example
    - i. Example
- 5. General Updates**
  - a. Example
    - i. Example
- 6. For Information Only**
  - a. Example
  - b. Example
  - c. Example
- 7. Date & Location of Next Meeting**

Type of Meeting (in-person/teleconference): Date
- 8. Adjournment**











- 6) Accessibility: The location of the conference should be near primary highways and an airport to provide easy access for the delegates.
- 7) Enthusiasm: The conference committee must be keen to organize the conference. It is important to have the commitment and support of an organizational team.
- 8) Resource Capacity: The conference committee should have access to the resources required to coordinate the conference.
- 9) Reasonable overall costs: The overall costs of the conference should be kept reasonable. While quality should not be compromised, keeping the costs reasonable will ensure delegate participation.
- 10) The conference budget is subject to approval by the board of directors.

### **Board Responsibilities**

The Board assigns the Executive Director to determine conference location and timelines 3 years in advance.







**Board Support to the Executive Director:**

The Board, through the president will provide guidance and support to the Executive Director while monitoring and ensuring a positive work environment for the Executive Director which includes:

- Encouraging appropriate professional leave;
- Giving direction and clarity when requested or appropriate;
- Encourage a relationship built on trust and mutual respect;
- Provide connections to the municipalities and potential sponsors.

Board discussions about current and potential new programs will focus on whether a program is relevant to the mission. Board meetings are time-efficient, with few or no last-minute additions to the agenda. The Board will speak as “one voice” once a decision has been made at the Board meeting. Individual Board members give no negative “sidebars”. No “Board meeting after the Board meeting” occurs.

**Executive Administrator:**

The Executive Administrator is a contract employee who provides administrative and bookkeeping support to GFOA Alberta.

**Recruitment and Selection:**

Once the Board has authorized the position, the Executive Director has the authority to hire all personnel into regular full-time, regular part-time and temporary positions. The Executive Director has the authority to promote or reassign a regular fulltime to fill a full-time position vacancy and to promote or reassign a regular part-time employee to fill a regular part-time position vacancy. The Executive Director has the authority to approve recruitment for positions that have been authorized by the Board and designates the appropriate manager or staff member to conduct the recruitment.

**Salary:**

The board of directors will be responsible for conducting periodic compensation surveys.



right to recognition for work done. In return, volunteers shall agree to actively perform their duties to the best of their abilities and to remain loyal to the goals and procedures of GFOA Alberta.

#### 1.7 Scope of Volunteer Involvement

Volunteers may be utilized in all programs and activities of the Association and serve at all levels of skill and decision-making. Volunteers should not, however, be utilized to displace any paid employees from their positions.

### **2 Volunteer Management Procedures**

#### 2.1 Two Hat Policy

Members of the Board are not excluded from participation in other volunteer opportunities with the GFOA, however board member responsibilities must remain the priority.

#### 2.2 Representation of the Association

Prior to any action or statement which might significantly affect or obligate the Association, volunteers should seek prior consultation and approval from the Executive Director. These actions may include, but are not limited to, public statements to the press, coalition or lobbying efforts with other organizations/levels of government, or any agreements involving contractual or financial obligations. Volunteers are authorized to act as representatives of GFOA Alberta as specifically indicated within their job descriptions and only to the extent of such written specifications.

#### 2.3 Confidentiality

Volunteers are responsible for maintaining the confidentiality of all proprietary or privileged information to which they are exposed while serving as a volunteer, whether this information involves administration, volunteers, stakeholders, or other persons, or involves overall GFOA Alberta business. Failure to maintain confidentiality may result in termination of the volunteer's relationship with the Association or other corrective action.

### **3 Volunteer Recruitment and Selection**

#### 3.1 Position Descriptions

Volunteers require a clear and complete understanding of the duties and responsibilities of the position which they are expected to fill as per terms of reference and orientation.

#### 3.2 Recruitment

Volunteers shall be recruited by GFOA Alberta on a pro-active basis. Volunteers shall be recruited without regard to gender, age, race, religion, sexual orientation or other condition. The sole qualification for volunteer recruitment shall be suitability to perform a task on behalf of GFOA Alberta. Volunteers may be recruited through either an interest in specific functions or through a general interest in volunteering which will later be matched with a specific function.

### 3.3 Interviewing

Prior to being assigned or appointed to a position, all volunteers will be interviewed to ascertain their suitability for and interest in that position. The interview should determine the qualifications of the volunteer, their commitment to fulfill the requirements of the position, and should answer any questions that the volunteer might have about the position. Interviews may be conducted either in person, telephone or other electronic means. Interviews will be the responsibility of the Chair of the respective Task Force, committee, or the Executive Director.

### 3.4 Acceptance and Appointment

Service as a volunteer with GFOA Alberta shall begin with an official notice of acceptance or appointment to a volunteer position. Notice may only be given by a task force or committee chair or the Executive Director. No volunteer shall begin performance of any position until they have been officially accepted for that position.

### 3.5 Professional Services

Volunteers shall not perform professional services for which certification or licensing is required unless currently certified or licensed to do so. A copy of such certificate or license should be maintained by the Executive Director.

### 3.6 Leave of Absence

At the discretion of the Chair of the respective Task Force or committee, or for members of the Board, the President, may grant leaves of absence to volunteers.

## 4 Additional Provisions

### 4.1 Reimbursement of Expenses

Volunteers may be eligible for reimbursement of expenses incurred while undertaking business for GFOA Alberta. Prior approval must be sought for any expenditures from the Executive Director.

### 4.2 Insurance

Liability and accident insurance are not provided for volunteers engaged in GFOA Alberta business.

### 4.3 Recognition

Volunteer recognition will be conducted to highlight and reward the contribution of volunteers to the Association during the GFOA Alberta annual conference.



## GFOA Alberta – Policy Manual

<b>Policy Type:</b> Financial	<b>Number: 3.3.1</b>
<b>Policy Name:</b> Financial Policy	<b>Original Effective Date: May 6, 2020</b>  <b>Date of Last Amendment:</b>

### Policy

The Board of Directors (Board) on behalf of the membership is responsible for all finances as related to the GFOA Alberta Association. As such, GFOA Alberta must adopt an operating budget for each calendar year to fund the annual operations.

### Definitions

1. Expenditures – an operating budget must include the estimated amount of the following expenditures: the amounts needed to provide for GFOA Alberta policies and programs, to pay debt obligations, to meet the costs related to conference, Task Forces and sub committees, amounts to be transferred to reserves or capital, amounts to cover any prior period deficiency, and any other expenditure the Board deems as necessary.
2. Revenue – an operating budget must include the estimated amount of the following revenues: amounts generated from Alberta membership fees, grants, conferences registrations and sponsorships, investments, any other sources, and transfers from reserves.
3. Authority – GFOA Alberta Directors and Officers may only make an expenditure that is included in an operating budget or is otherwise authorized by resolution of the Board. The Board shall establish procedures to authorize and verify expenditures that are not included in the budget. The Board shall not approve an annual operating budget that includes an operating deficit.
4. Liability – GFOA Alberta Directors and Officers that direct or make an unauthorized expenditure are liable to GFOA Alberta for the particular expenditure or the amount spent.

### Guidelines/Procedures

#### 1. Authorization

Administration, with the support of the Treasurer is responsible for the preparation of the budget. The board is responsible for approval of the budget.



## **2. Responsibilities of the Treasurer**

Administration with the input of the Treasurer shall establish appropriate guidelines, procedures and internal controls as it relates to the Association's budget:

- a. to ensure the achievement of the objectives which are identified within the Budget Policy and Procedures;
- b. for authorizing persons to engage in budget preparation, analysis and financial activities;
- c. for the accounting and reporting of actual expenditures/revenues to budget;
- d. for the regular preparation and reporting of financial activities on a monthly basis.

The guidelines, procedures and internal controls shall be approved and reviewed on a regular basis by the Board.

## **3. Responsibilities of the President**

The President shall monitor the guidelines, procedures and internal controls established by the Treasurer to ensure their compliance with the Budget policy and procedures.

## **4. Annual Budget Preparation**

The following budget preparation steps shall be performed annually:

- a. The Treasurer shall put the budget before the Board for their approval. A budget must be approved for each upcoming fiscal year. A proposed budget shall be presented to the Board at the in-person Board meeting in the fall of each year.
- b. The proposed budget shall be deemed approved if the proposed budget receives approval of a simple majority of the Board present at a regular Board meeting. Approval shall be no later than the 31st of December of the year preceding the budget year.
- c. Once approved, the proposed budget becomes the approved budget for the fiscal year.
- d. Any Board member or Executive Director may, during the fiscal year, present to the Board, for its consideration and approval, amendments to the budget for the then current fiscal year at any regular meeting of the Board.
- e. If the amended budget is approved by the Board, the amended budget shall apply to the remainder of the current fiscal year.

## **5. Forecast Preparation**

A two-year operating forecast document shall be prepared. This document shall outline the Board's expectations of revenues and expenditures for future fiscal years:

- a. The Treasurer shall present a Forecast for the next two fiscal years following the current proposed budget year at the in-person Board meeting in the fall of each year.
- b. The Treasurer, Executive Director and/or President shall provide updates to the Board on amendments on the Forecast document throughout the current fiscal year.
- c. Any amendments accepted by the Board will be incorporated into the Forecast by the Treasurer.

- d. The Forecast will form the basis for the preparation of the Annual Budget for the upcoming fiscal year.

## **6. Reporting**

The Treasurer shall report on the financial activities undertaken by GFOA Alberta and present the annual operating budget to membership at the Annual General Meeting. The following information shall be provided to the Board at its regular meetings:

- a. total revenues and expenditures for the month and year to date.
- b. budget variance analysis (i.e. actual revenues and expenditures relative to the approved/amended budget).
- c. detailed expenditures (i.e. Cheque Log)

## **7. Review and Amendment Procedures**

GFOA Alberta's Budget Policy and Procedures shall be reviewed annually by the Board, who may approve any changes as required.

## **8. Annual Surplus/Deficit Funds**

Should GFOA Alberta be in either a surplus or deficit position at the end of each Fiscal Year a transfer to or from reserves will be presented to the Board for approval.

## GFOA Alberta – Policy Manual

<b>Policy Type:</b> Financial	<b>Number: 3.3.1.1</b>
<b>Policy Name:</b> Cash Management & Investments	<b>Original Effective Date: May 6, 2020</b>  <b>Date of Last Amendment:</b>

### Policy

GFOA Alberta will manage cash and invest surplus funds in a prudent manner that will provide optimum investment returns with the maximum security while meeting the Association's cash flow requirements.

### Objectives

This cash management and investment policy has the following objectives listed in priority order:

**Capital preservation** – the Association recognizes its fiduciary responsibility for the stewardship of financial funds with which it has been entrusted. Therefore, the prime objective of this policy is to ensure that cash on hand (including cash held in financial institution current accounts) and the principal amount of each investment are safe from losses due to market conditions and issuer default. To accomplish this objective, GFOA Alberta will ensure that sufficient diversification, as appropriate, exists within its investment portfolio.

**Maintenance of liquidity** – the Association's investment portfolio will be sufficiently liquid in order to enable the Association to meet its operating cash flow requirements that might be reasonably anticipated in the short and longer term. For the purposes of this policy liquidity is defined as the ability to convert an investment into cash with minimum risk associated with loss of principal or accrued interest.

**Rate of return** – the Association's investment portfolio will be effectively managed to ensure that an optimum rate of return is realized on all investments within the parameters of the objectives established within this policy.

### Guidelines/Procedures

GFOA Alberta will adopt the following guidelines / procedures in respect to this policy.

### Authority

The Board of Directors (Board) are responsible and accountable for the control, management and administration of GFOA Alberta's cash and investments in accordance with the policy approved by the Association. The Board delegates this responsibility to the Treasurer and the President.

### **Responsibilities of the Treasurer**

The Treasurer shall establish appropriate guidelines, procedures, and internal controls:

- a. to ensure the achievement of the objectives which are identified within this policy,
- b. for authorizing persons to engage in cash management and investment activities,
- c. for purchasing and selling investments,
- d. for custody and safekeeping of investments,
- e. for the accounting and reporting of cash management and investment activities, and
- f. for the regular preparation and reporting of bank account reconciliations. A bank reconciliation is to be prepared for each bank account in the name of GFOA Alberta on a monthly basis.

The guidelines, procedures, and internal controls shall be approved and reviewed on a regular basis (minimum annually) by the Board.

The Treasurer shall provide a copy of this policy to each financial institution GFOA Alberta transacts business with.

### **Responsibilities of the President**

The President shall monitor the guidelines, procedures and internal controls established by the Treasurer to ensure their compliance with this policy.

### **Cheque Authorization and Signatures**

The President, Treasurer, Executive Director and Executive Administrator shall be authorized to sign cheques.

No signatory may sign a cheque issued in the name of the signatory.

Cheques made out to cash are prohibited.

### **Procurement & Custody of Investments**

The Treasurer shall ensure:

- a. that the method of procurement achieves and maximizes the objectives of this policy,
- b. that each individual investment transaction (purchase or sale) is jointly authorized by the Treasurer and the President (or another member of the Board) prior to the transaction occurring,
- c. that all investment certificates issued to GFOA Alberta are in the name of or held in the name of GFOA Alberta.
- d. that negotiable securities are held in one of two ways;
  1. in a safekeeping compartment with GFOA Alberta's banker, or

2. held by a third-party custodian in the name of GFOA Alberta and evidenced by safekeeping receipts and monthly statements.
- e. that nonnegotiable investment certificates are maintained in an appropriate investment file in the custody of the Treasurer, and
- f. that financial institutions provide the Treasurer with confirmation of the investment certificate.

The Treasurer will report on the cash management and investment activities undertaken by GFOA Alberta. The following information will be provided to the Board on a regular basis (generally at scheduled Board meetings):

- a. total assets within the investment portfolio,
- b. specific holdings within the investment portfolio,
- c. effective rate of return on the investment portfolio,
- d. evaluation of portfolio performance, and
- e. bank reconciliations and cheque logs.

GFOA Alberta's Cash Management / Investment Policy shall be reviewed annually by the Board, who will approve any changes, as required.

## GFOA Alberta – Policy Manual

<b>Policy Type:</b> Financial	<b>Number:</b> 3.3.2
<b>Policy Name:</b> Purchasing Policy	<b>Original Effective Date:</b> May 6, 2020  <b>Date of Last Amendment:</b>

### Policy

The purpose of this policy is to provide guidance to the Board of Directors (Board) and Administration with respect to purchasing functions to achieve the best value for the Association through purchasing processes that are open, fair and transparent, as well as to make certain the following purchasing criteria are met:

- Compliance with all applicable laws, regulations, bylaws, policies, directives and trade agreements,
- Establish efficient procedures for the purchase of goods and services,
- Secure supplies, services and equipment at the lowest possible cost corresponding with level of quality needed,
- Exercise positive financial control over purchase,
- Clearly define authority and responsibility for the purchasing function, and
- Ensure the quality of purchases.

### Guidelines/Procedures

#### 1. Purchasing Guidelines

- 1.1 The purchase of materials, supplies, services and equipment shall be made in accordance with this policy.
- 1.2 As long as expenditures do not exceed the budget, Board review of Cheque Logs is not necessary; however, it is the Treasurer's responsibility to report to the Board the financial affairs of GFOA Alberta in relation to quality of services being performed.
- 1.3 The Executive Director has the authority to make unplanned expenditures for emergencies up to 2500. Administration will be responsible to informing the board of any unplanned, emergent expenditures made.
- 1.4 For the purpose of implementing this policy, the following positions are responsible for purchasing as listed below:

#### Executive Administrator

- responsible and accountable for the general operational requirements of GFOA Alberta, within the approved budget.

Executive Director

- responsible and accountable for overseeing general operational purchases, including that of GFOA Alberta Task Forces.

Treasurer

- to ensure compliance of all procurement policies, applicable laws, trade agreements and regulations,
- to validate purchases and monitor all expenditures to ensure that commitments do not exceed annually approved budget,
- to support the promotion of sound procurement practice, and
- to report on Budget Overruns to the Board, as required.

President

- to monitor the guidelines, procedures and internal controls established and ensure compliance with this policy.

Board of Directors

- to evaluate the overall budget of GFOA Alberta, and
- to approve emergency/unplanned expenditures as per this policy, while collectively assessing the impact to the bottom line of the budget and weigh priorities.

**2. Non-Competitive and Competitive Processes**

Contractual agreements may be made with the Executive Director's approval, as long as the following conditions are considered:

- a. The purchase is part of GFOA Alberta's regular daily business needs,
- b. The purchase fits within the approved annual budget,
- c. The purchase does not override an existing product or service Contract Agreement, and

All contracts will be included within the Executive Director's report.

Supplies, equipment, and services must be acquired through a competitive process that ensures the best value for the funds expended to meet the specific needs and promote fair dealings and equitable relationships.

Appropriate terms, conditions, parameters, waiver options and approval requirements necessary must be established and documented. All requirements must be clearly articulated throughout a tendering process to ensure an open and transparent competition.

**3. Single/Sole Sourcing**

Single and sole sourcing shall be used only in narrowly defined circumstances, such as:

- emergencies,
- to ensure compatibility with existing products, to protect exclusive rights such as copyright, patents or exclusive licences, or to maintain specialized equipment that must be maintained by the manufacturer or its representative,
- where there is no response to a call for tenders,
- where the supply of goods or services is controlled by a supplier that is a statutory monopoly,
- for research and professional development, and
- to maintain validity of warranties/guarantees.

**4. Conflict of Interest**

A “Conflict of Interest” exists where the decisions made, and/or the actions taken by the Board or Administration in the exercise of their duties could be affected by:

- personal, financial or business interests, or
- the personal, financial or business interests of relatives, friends or associates.

It is important to avoid not only real conflicts of interest but also being placed in a position that could give the appearance of being harmful to the Association’s interest.



## GFOA Alberta – Policy Manual

<b>Policy Type:</b> Financial	<b>Number:</b> 3.3.4
<b>Policy Name:</b> Financial Review & Internal Controls	<b>Original Effective Date:</b> May 6, 2020  <b>Date of Last Amendment:</b>
<p><b>Financial Review:</b></p> <ul style="list-style-type: none"> <li>• Administration is responsible for the preparation and fair presentation of the financial statements.</li> <li>• An annual review engagement will be conducted for the fiscal year;</li> <li>• The review will be conducted by a recognized accounting firm and appointed at a Board meeting.</li> <li>• The Board of Directors (Board) will have an opportunity to request any specific areas of concern for an independent accounting firm to review in more depth</li> <li>• The results will be reviewed at a Board meeting prior to the acceptance of the financial statements</li> <li>• The review will be completed within 3 months of the year end and will be presented at the Annual General Meeting by the Treasurer to be reviewed by the membership.</li> </ul> <p><b>Internal Controls:</b></p> <ul style="list-style-type: none"> <li>• Internal controls are the responsibility of Administration.</li> <li>• The controls will include appropriate segregation of duties, expense and spending thresholds, cheque writing and spending authorization.</li> <li>• Internal controls - Administration should establish control procedures, and ensure they are documented and followed. All aspects of cash receipting and accounts receivables should be subject to proper internal controls including: <ul style="list-style-type: none"> <li>○ Segregation of duties such as initiation and authorization of transactions, execution of transactions (receipting and disbursement), recording transactions, reconciliation, and maintaining custody,</li> <li>○ Processing and timely deposit of receipts,</li> <li>○ Timely reconciliation to applicable ledgers,</li> <li>○ Physical security procedures. This is especially important for funds not deposited day of receipt, and</li> <li>○ Use of integrated receipt and accounting systems.</li> </ul> </li> </ul>	

## GFOA Alberta – Policy Manual

<b>Policy Type:</b> Financial	<b>Number: 3.3.5</b>
<b>Policy Name:</b> Revenues	<b>Original Effective Date: May 6, 2020</b>  <b>Date of Last Amendment:</b>

This revenue policy further defines the revenues of the Association in terms of Professional Development revenue, Investment revenue, Fundraising, Grants, Sponsorships and Membership Fees. The Board of Directors (Board) will confirm at budget time what the expected revenue sources will be for the upcoming year. Revenues will be segregated in the financial statements to reflect their source. (ie. Sponsorship will have its own line item in the revenue section).

**Professional Development revenue** - include all revenue for programs that GFOA Alberta develops and any revenues that GFOA Alberta receives as a result of partnerships. Partnership revenues will be defined in the partnership agreements prior to their execution.

**Investment revenue** - are the proceeds from current bank investments as well as the revenue received as a result of proceeds from partner shared investments. For further definition and details on the execution, the partnership agreement will be the source.

**Fundraising** – participation in raising of funds for the Association as a result of an intended event or program. All fundraising activities will be ethical and fit within the GFOA Alberta mandate and vision of the Association. All donations or sponsorships will be used for the purposes for which they are given. If necessary due to program or organizational changes, alternative uses will be discussed where possible.

**Grants** – are funds received from a funding body. The funders may provide spending requirements and the Association will stay within that mandate. Grant applications must be approved by the Board prior to accepting funds to maintain the organizational intent and to authorize the grant terms.

**Sponsorship/Partnership** - defined as a mutually beneficial exchange, whereby a sponsor receives a benefit in return for providing cash and/or products or services to GFOA Alberta. The following principals shall be followed:

- a. GFOA Alberta will consider forming mutually beneficial relationships with other organizations that advance the Association’s vision of inspiring quality leadership and professional financial management of municipal governments and is seen as the preeminent leader in municipal financial strategies, policies and practices.
- b. Unless otherwise specified, surpluses gained from sponsorships will be used to fund the general operations of the Association.

### **Annual Sponsorship Package**

1. On an annual basis, the Annual Sponsorship Package (sample attached), as amended from time to time, will be sent to past and potential new sponsors.
2. In soliciting, evaluating, and/or endorsement for sponsorship, partnership, or other proposals from organizations, the following guidelines will be followed:
  - a. Sponsorship agreements will not in any way imply that GFOA Alberta has endorsed products or services,
  - b. Executive Director approval will be required for all sponsorships,
  - c. The membership list must protect the rights of the members and will not be distributed for promotional or marketing purposes.

**Membership Fees**– The membership fee structure of GFOA Alberta is established with a number of objectives in mind.

1. Fees should encourage finance professionals from all sizes of local governments to join and remain as Members.
2. The fee structure should encourage maximizing membership.
3. Fees will ensure priority access to GFOA Alberta Conferences and Professional Development.
4. Fees should be favourably compared to other competing associations.
5. Growth in membership - The fee structure should encourage added memberships in existing municipalities and foster new memberships.
6. Equitable fees between municipalities - The fees should be based on size of municipality and ability to pay, which is congruent with the international fee structure.

## GFOA Alberta – Policy Manual

<b>Policy Type:</b> Stakeholder Relations	<b>Number: 4.4.1</b>
<b>Policy Name:</b> GFOA Alberta Relations	<b>Original Effective Date: May 6, 2020</b>  <b>Date of Last Amendment:</b>

GFOA Alberta’s commitment to actively build and maintain long-term relationships with stakeholders is based on two fundamental guiding principles – communication and trust.

These two principles shape the development of GFOA Alberta’s stakeholder relations philosophy, which include:

- Encouraging stakeholder participation in the decision-making process
- Providing timely information
- Open, honest communication
- Listening to stakeholder concerns
- Respecting diverse opinions
- Seeking mutually beneficial solutions
- Learning from each other (i.e. like-minded associations)

GFOA Alberta’s trust-based approach to stakeholder relations provides continued support for our current operations and the opportunity to grow GFOA Alberta. Earning the trust and support of stakeholders is fundamental to meeting this responsibility.

### **Defining our stakeholders**

GFOA Alberta thinks of stakeholders as any group or individual who can affect, or who can be affected by, our operations. They include – but are not limited to:

- Administration
- Municipalities – Cities, Counties, Municipal Districts, Towns, Villages and Summer Villages
- Governments – (i.e. Municipal Affairs, etc.)
- Governmental Associations (i.e. ACFA, RMA, AUMA, CPA, GFOABC, MFOA, GFOA of the USA and CANADA, IAMA, CAGFO, etc.)
- Corporate partnerships

GFOA Alberta’s stakeholder engagement success is dependent on how effectively GFOA Alberta can maintain positive, productive relationships with all GFOA Alberta stakeholders.



## GFOA Alberta – Policy Manual

**Policy Type:**  
Risk Assessment

**Number: 5.1**

**Policy Name:**  
Risk Assessment Policy

**Original Effective Date: May 6, 2020**

**Date of Last Amendment:**

### Introduction

The purpose of risk assessment document is to identify and eliminate any associated risks arising from current GFOA activities, while enabling informed decisions to be taken.

Risk assessments do not have to be complicated; the level of detail contained in them should be relevant to the level of the risks involved with the activity. In many cases a risk assessment will lead to the clarification and documenting of local protocols and procedures that are often already in place.

An example of the risk assessment was completed by the GFOA Board of Directors who met in-person in October 2019, to discuss the organization's current exposure to risk.

### GFOA Alberta Risk Assessment

Total risk assessed according to two factors:

- Potential impact to the organization
- Likelihood of occurrence

The following risk categories were identified by the board and subsequently ranked based on the factors noted above.

Category	Low Risk	Moderate Risk	High Risk
Governance	X		
External		X	
Operational			X
Finance			X

A Risk Mitigation Policy has been developed by the Board Policy Sub-Committee as an approach to addressing each risk category noted as Medium (9-16) or High (17-25). The board recognizes that that the general Governance and Operational Policies and bylaws of GFOA Alberta are sufficient to address any risk category assessed as Low (1-8).

## Level of Risk

Risk Category		Risk Level
Governance	Misdirection of Organization	4
	Board engagement	4
	Speaking as one voice	3
External	Maintaining reputation	15
	Change in Government (Federal, Provincial & Municipal)	15
	Other associations	12
Operational	Records management and information technology	20
	Volunteer engagement	16
	Sufficient staff levels	9
	Membership retention and participation	12
Financial	Financial sustainability and revenue streams	20

Risk assessments can also assist in the identification of requirements for, and levels of, instruction, information, training and supervision that may be required for the activity.

## Responsibilities

The following posts have responsibilities:

Operational Staff:

- Assisting with and participating in the process of risk assessment.

Executive Director and Board of Directors:

- Undertaking risk assessments, identifying and implementing control measures, effectively communicating the outcomes to employees and others as appropriate

## Risk Evaluation and Estimation

Once hazards associated with activities have been identified, it becomes necessary to establish what the potential hazardous outcomes or events could be associated with the hazard.

When identifying who could be harmed, identify how they could be harmed.

The next stage is to examine **the likelihood** of a hazardous event occurring. Infrequently occurring hazards, present less risk than frequently occurring hazards.

Once likelihood has been determined the probable **Impact** of the hazardous event, should be considered. Impacts can be considered in terms of severity of potential injury (is it probable that a person would die or sustain minor injuries) but the impact also can be considered in broader terms, including reputational Impact.

For the purposes of illustration, a five-point model is suggested below:

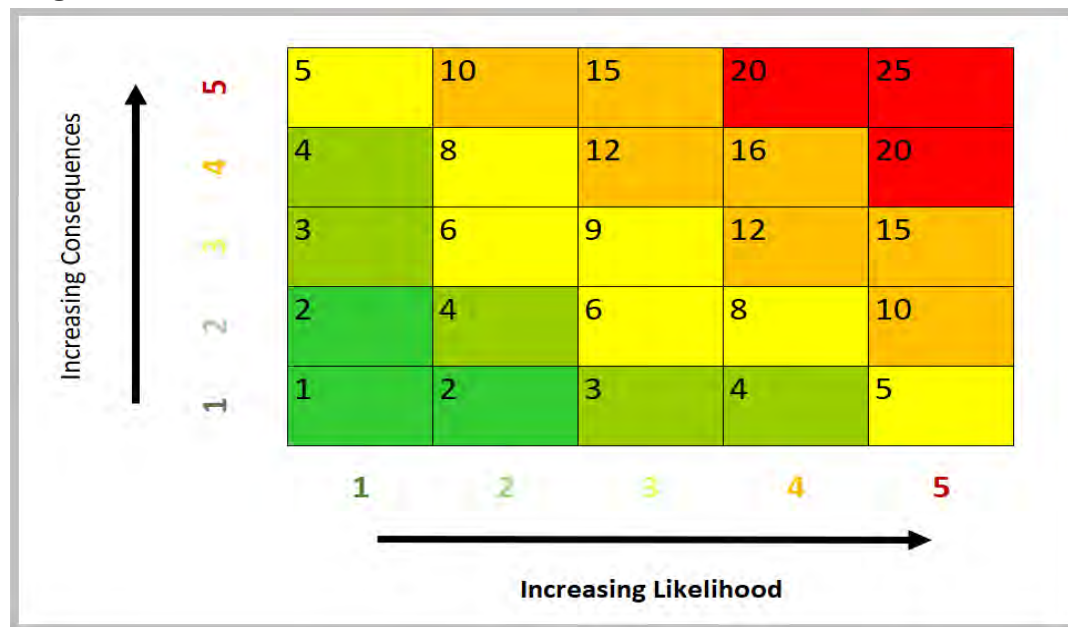
**Table 1**

Likelihood	Impacts
5-Very Likely	5-Major Impact
4-Likely	4-Significant Impact
3-Fairly Likely	3-Moderate Impact
2-Unlikely	2-Minor Impact
1-Very Unlikely	1-Insignificant Impact

This risk estimation process helps to determine the significance of the risks associated with the hazards. The number of people who may be affected by a hazard is a relevant consideration during risk estimation.

The matrix in Figure 1 illustrates how risks can be evaluated using the five-point model.

**Figure 1**





Risk assessment is the overall judgement of the level of risk arising from the threat, based upon the **likelihood** of the threat occurring and the potential severity of the account existing risk control measures that are already established to be placed to reduce/control the risk. Using the risk matrix as a guide, the level of risk should be assessed to identify the **risk rating**.

**Table 2**, gives further guidance on the interpretation of the categories described in **Table 1**

Likelihood	Description
Very Likely	Expected to occur in most circumstances.
Likely	Will probably occur in most circumstances.
Possible	Might occur at some time.
Unlikely	Not expected but conceivable, could occur sometime.
Very Unlikely	Not expected and would only occur in exceptional circumstances.

Once the matrix has been used to determine the risk rating, it is then possible to use **Table 3** below to establish the appropriate actions required:

**Table 3**

Risk Rating	Descriptor	Acceptable?	Actions
17 - 25	Major	Unacceptable	Work should not be started or continued until the risk has been reduced. Additional risk control measures required.
10-16	Significant	Likely to be Unacceptable	Often high risks can be reduced by improving controls. High risks may be acceptable in situations where consequences are potentially high but the likelihood of incidence has been reduced significantly.
5 - 9	Moderate	Could be Acceptable	Medium level risks may be acceptable
3 - 4	Minor	Likely to be Acceptable	Low risks are acceptable unless there are low cost solutions which removes the risk and improves the working environment.
1 - 2	Insignificant		

All risks associated with activities will now be identified and systematically assessed.

## Risk Control

Suitable and sufficient risk control measures will be identified and implemented to ensure that all risks are appropriately controlled and meet legal requirements as a minimum. All risk control measures will follow the hierarchy of risk control stated in this procedure.

Risk control measures are methods used which reduce/control risks arising.

Control measures must take into account any relevant legal requirements which establish the minimum levels of risk control. Where additional control measures are required to reduce the risk, they should be considered according to the order in the following hierarchy of risk control which, as well as being in order of effectiveness to control risks, is also in order of the minimum amount of operational effort required to maintain them.

**Table 4**

<b>Hierarchy of risk control</b>	
<b>Eliminate the risk</b>	Avoid the risk altogether by no longer undertaking the activity
<b>Substitute the risk</b>	Reduce the risk by replacing the activity with one which entails lower risk
<b>Control the risk</b>	Control the risk
<b>Control the risk (Procedural)</b>	Control the risk by procedural methods which are understood and effectively implemented

When considering additional control measures, it should be ensured that they will not introduce any new hazards.

When the control measures have been identified and agreed they must be prioritized, placed into an action plan and implemented. The action plan needs to be clear about exactly what needs to be done, when and by whom with **SMART** objectives (Specific, Measurable, Achievable, Realistic and Timed). Where full implementation of the control measures identified cannot be achieved rapidly adequate steps may need to be taken in the interim to minimize the risk.

The implementation of the action plan must be monitored and subsequently reviewed to ensure that the remedial actions identified have been, and continue to be, adequate, appropriate and implemented.

**Communication**

Relevant information identified in the risk assessment regarding the hazards, must be effectively communicated, and be readily accessible to, employees and others as appropriate.

The Executive Director and Board need to ensure that the findings of the risk assessments and the precautions to be taken are effectively communicated to, understood and implemented by those persons covered in the assessment.

**Monitoring and Review**

The risk assessment and control process are not a one-off activity but part of the process for continuous improvement and should be reviewed and revised as appropriate.

Risk assessments must be reviewed

- if there has been a significant change in the matters to which it relates
- if there is reason to suspect that it is no longer valid
- at least annually

**Review of Policy**

This policy will be reviewed on a yearly basis or at an earlier date if changes are required due to risk assessment review or changes in government advice.