



POLICY 3.6 ACCOUNTS PAYABLE

Department: Finance

Date Approved: March 11/16

Rescinds: 063/04/19/13

Board Res. No.: 550/11/03/16

PURPOSE:

To establish policy for the effective management control of the Accounts Payable system.


SCOPE:

It is necessary for the Peace Regional Waste Management Company to have a clearly-stated policy regarding the management of the Accounts Payable system in order to remain accountable to the shareholders.

POLICY:

1. Persons delegated Accounts Payable responsibility must ensure that:
 - a) there is proper authority for the expenditure, including budgeted funds;
 - b) the expenditure is in accordance with all relevant acts, regulations and policies;
 - c) the expenditure is in accordance with the terms of the written contract or if it does not exist, that the expenditure is fair and just;
 - d) the invoice is accurate; and
 - e) the goods or services have been received.
2. Under no circumstances is a cheque to be issued when there are insufficient funds to cover it, or that would result in an overdraft situation.
3. Salary advances for specific purposes may be made to the Peace Regional Waste Management Company employees, including those on wages, on approval of the General Manager.
4. All expenditures must be properly summarized and presented to the Board for information and approval, at regular Board meetings.

5. All cheques must be signed by two individuals, one of whom shall be the General Manager, or the Director of Finance and the second whom shall be the Chairperson, the Vice Chairperson or the third authorized signing officer. The signature of the Chair or the Vice Chairperson may be imprinted either electronically or by secured stamp prior to signing by an administrative signatory. When electronically signed or stamped, the cheque listing must be reviewed and approved by signature by the Chair or the Vice Chairperson before the cheques are released.
6. Blank cheques must not be pre-signed by signatories.
7. The General Manager must ensure that approved internal procedures governing the Accounts Payable system are adhered to. This will include procedures in respect to voided cheques, replacement cheques, payments on copies of invoices, maintenance of proper supporting documentation, cross-referencing of cheques and invoices, transaction trail, control over blank cheques, and proper segregation of duties where possible, amongst other controls.



Chairman – Tom Tarpey



General Manager – Art Sawatzky