



<b>Policy Title</b> <b>Internal Control Policy</b>		<b>Adopted By</b> Council Resolution 2024-011	<b>Policy Number</b> <b>FIN 2024-003</b>	
<b>Origin/Authority</b> <b>Council</b>	<b>Jurisdiction</b>  <b>Town of Dundurn</b>		<b>Amended Policy</b> 2022-003	<b>Pages</b>  7
<b>Reviewed By</b> <b>Administration</b>			<b>Effective Date:</b> 2024-Jan-09	

**COUNCIL**

<b>Title</b>	<b>Name</b>	<b>Council Since</b>
Mayor	Curtis Boyes	2020
Deputy Mayor	Matt Jurkiewicz	2020
Councillor	Cody Deringer	2020
Councillor	John Gourdeau	2020
Councillor	Clayton Connell	2022

Every municipality is expected to carefully manage and account for its funds. These funds can be received from a variety of sources including taxation, utility charges, fees and charges, development and building permit processes, etc.

The Council relies on its management to recommend a policy approach so that it has confidence that the management of funds received is being handled in a sound manner such that all funds are being invested or expended in the most effective manner.

Council then relies on its management team, headed by the CAO, to create managerial directives (i.e., procedures) to guide the day-to-day management of all such resources. Senior management is charged with developing an annual budget which will reflect what the municipality expects to fund and receive in funds for payment of services. The budget, to the best of the collective ability of the administration, will be an accurate portrayal of what is needed to maintain the current services and through approval by Council, to fund additional services.

**CORE BUSINESS VALUES**

- Servicing the needs of the people through local municipal services
- making and enforcing laws
- being responsible stewards of taxpayers' money
- providing long-term viability for our municipality
- facilitating public input
- fulfilling the requirements of provincial legislation



## **RELATED ORGANIZATION GOALS**

- ❑ To ensure that the comprehensive human resource needs of the organization are consistently being identified and addressed
- ❑ To update the human resource needs on a regular basis
- ❑ To identify internal candidates for possible promotion into more senior level positions
- ❑ To ensure that the organization consistently identifies training opportunities that enhance the ability of staff and council members

## **COUNCIL POLICY**

The Council of Dundurn believes in the importance of a stable, well-planned approach to its handling of funds by the Municipality. Our approach is based on the following:

- A carefully crafted Strategic Plan which points to the fiscal priorities of the municipality
- A Business Plan which takes its guidance from the Strategic Plan and translates that into fiscal goals
- A budget (operating and capital) which speaks to the legitimate expenditure of funds on an annual basis
- Independent advice from the external Auditor who identifies any issues with present day controls
- The professionalism of our financial managers who are continually seeking to make those changes to daily processes which enhance system security
- The supervision by qualified managers of all staff employed in the handling of funds.

The Municipality will ensure that its financial controls are regularly assessed to ensure that all financial policies, directives/regulations are being followed. The Council will hold the CAO and Manager of Finance accountable for ensuring that there is no obvious breach in these controls.

## **ADMINISTRATION**

Financial Information presented at monthly meetings by Administration:

- Balance sheet
- Budget variance report, month to date, YTD
- Approval of Accounts for payment is approved monthly
- Unpaid taxes and utilities (monthly)
- Payroll summary – summary of charges to payroll GL accounts for the month with name detail.
- GL manually entered transactions to cash account
- Approval for major capital expenditures/ disposals / borrowing
- Council approves operating and capital budgets annually.
- The Municipality maintains an up-to-date policy and operations manuals.

Council expects the Chief Administrative to ensure adequate internal controls are in place and relies on the Auditor to communicate any deficiencies each year.



**EMPLOYEES**

Position	Name	Employed Since	Training & Experience	Certificate Date / Expiry Date
Administrator	Valerie Schlosser	2021-Dec-01	Urban Standard Certificate Applied Government Writing Operating Budget & Long-term Tax Strategy Capital Budget & Long-term Capital Plan Grant Writing Long Term Financial Planning Municipal Leadership	2005-Oct-25 / annual CEU's 2022-Mar-14 2022-Apr-27 2022-Jun-29 2023-Feb-23 2023-Apr-14 2023-Apr-18
Administrative Assistant	Victoria Olynik	2023-Feb-09	Human Resources Certificate Social Media policy & training Bullying & Harassment Training Occupational Health & Safety Violence in the Workplace Respectful Workplace	2011 2016 2015 2016 2017 2016
Finance Officer	Jamie Coulson	2022-Jan-26	CGA SK Level 1 to 4 Bachelor of Commerce	2010 2003
Public Works Supervisor	Trevor Richmond	2006-Jul-24	Power Mobile Equipment  Mobile Elevated Work Platform Fall Protection Confined Space Entry First Aid & CPR/AED Level C	2022 – Grader, Tractor, Backhoe, Zero Turn, Skidsteer 2022-Nov-24 Ex 2025-Nov-24 2022-Nov-24 Ex 2025-Nov-24 2022-Nov-09 Ex 2025-Nov-09 2022-May-03 Ex 2025-May-02
Water Treatment Plant Public Works Supervisor	Trevor Richmond	2006-Jul-24	Water Treatment Class 1 Water Distribution Class 1 Wastewater Treatment Class 2 Wastewater Collection Class 2	2010-Sept-17 / 2024-Sept-15 2010-Sept-17 / 2024-Sept-15 2010-Sept-17 / 2024-Sept-15 2010-Sept-17 / 2024-Sept-15
Public Works Operator	Patrick Anderson	2022-Oct-17	Power Mobile Equipment  Mobile Elevated Work Platform Fall Protection Confined Space Entry Landscape Applicator and Pesticide Applicator Licence	2022 – Grader, Tractor, Backhoe, Zero Turn, Skidsteer 2022-Nov-24 Ex 2025-Nov-24 2022-Nov-24 Ex 2025-Nov-24 2022-Nov-09 Ex 2025-Nov-09 SK 2019 2023-Feb-15 Ex 2024-Feb-05
Water Treatment Plant		2023-12-01	Water Distribution Class 1	2023-12-01 Ex 2025-12-15

The Administrator follows the Urban Administration Association code of ethics and Employee Code of Conduct.

**SIGNING AUTHORITY**

Council member

And

Administrator or Administrative Assistant - Finance Manager (in the absence of the Administrator)



## **BANK RECONCILIATION**

The bank reconciliation (deposits and cheques) is prepared by administration and reviewed by the Chief Administrative Officer and presented to Council monthly. The bank reconciliation process is electronic as part of the Munisoft software system. It is printed once completed.

## **RECEIVABLES AND RECEIPTS**

All cash, cheques, E-transfers, and direct payments are received and receipted immediately by administration and entered directly into the Munisoft software in receipting under the current batch. The date for cash/cheques/debit remains the same for the entire batch regardless of the date the funds were received. The E-transfer's and direct payments are completed daily. Batches are posted and receipt documentation is filed. If an error occurs before the receipt is final the cancel button can be used to delete the receipt. If the receipt has been processed, and the batch printed, the receipt cannot be cancelled; the user must reverse it. When a receipt is cancelled, or reversed, supporting documentation is kept. If an error is identified when the deposit is prepared - the batch is recounted, and the original receipt is reversed and re-entered.

Administration prepares the deposit and initials the deposit. The deposit is reviewed by the Administrator before the deposit it made. Petty cash of \$200 is confirmed by Administration before the deposit is made. To prepare a deposit administration closes the current batch and prints out the edit page, which summarizes the funds by cheque, cash, and direct deposit. This report is cross checked with the funds in the till/safe, and a deposit slip is filled out manually. The Administrator or Administrative Assistant takes the deposit slip and the funds in an unsealed bag to the bank. The bank date stamps the deposit slip to show it has been processed. Council does not review the bank deposit. Deposits are made at least once per month.

## **CASH**

Cash is stored in the safe during the day (\$200.00 float – the float is counted and confirmed when a deposit is made) and the safe is securely locked at the end of the day. The Administrator or Administrative Assistant usually open the safe in the morning and locks the safe before leaving at the end of the day. Only the Administrator and Administrative Assistant have access to open the safe.



### **PETTY CASH**

Mainly used to pay postage and sometimes small office supplies. Receipts are always retained. To replenish petty cash, all receipts are submitted to council and initialled, a cheque is made out to Petty Cash. Administration cashes cheque and replaces cash in cash drawer.

#### **Strictly Prohibited use of cash**

No cash may be taken from till at any time other than to deposit with confirmed receipt batch  
IOU's are strictly prohibited for any reason by any employee

### **TAXES RECEIVABLE**

Notices for taxes receivable are sent out as follows: Jan (auditor's verification), June (tax notice shows current & arrears).

Tax Enforcement Process:

March 2XXX – List of properties in arrears and notice that lien will be put on

The Town of Dundurn has contracted TAXervice to handle tax enforcement.

### **CUSTOM WORK**

Invoices are sent out once per month for custom work when operator's worksheets are received. Invoices are created and are pre-numbered. Invoices are usually paid quickly. If not, a second notice is sent out. Any unpaid custom work is added to tax roll by Dec 31 of the current year.

### **EXPENDITURES**

Administration receives invoices and P.O. statements, date stamped when received. Administration enters all the general invoices (regular municipal business: postage, utilities, etc.). Administration matches the P.O. statements with the corresponding invoices and enters the information into the Munisoft accounts payable program. Once all the information is entered Administration prepares a List of Accounts for Payment to be reviewed and approved by Council at the next Council meeting. A member of Council and administration signs checks and initials the invoices. Administration mails cheques following the Council meeting. Utility & phone bills (or any other bills that have late penalties), school taxes, and wages can be paid between meetings.



Payments disbursed between meetings are brought forward to the next meeting for approval. Online payments are presented to Council for approval.

All employee refunds for purchases will be processed by check, with supporting documentation provided. No direct payments may be issued for employee refunds. Council approval required before disbursement of refund.

The Chief Administrative Officer and the Public Works Supervisor have a Mastercard for expenses.

The limit is \$5,000 / each card. All receipts are retained.

Capital expenditures and any large non-budget items are approved by resolution in the minutes before purchases are made.

## **PAYROLL**

The Town of Dundurn uses Paymate for payroll. Administration has access to the entire payroll system (including rate changes). Administration approves the timesheets. A payroll summary is completed at the end of each month and presented to council for approval. The payroll summary is a summary of charges to the payroll GL accounts for the month with name detail indicating wage and hours worked. Council also reviews all payments and remunerations to council members. General payroll is completed through online banking. Town of Dundurn staff are paid bi-monthly; Council Remuneration is paid monthly, quarterly, or annually with submittance of invoice.

## **COUNCIL AND CHIEF ADMINISTRATIVE OFFICER**

- Council is responsible for hiring the Chief Administrative Officer
- The Chief Administrative Officer along with the HR Committee are responsible for hiring the Public Works Supervisor and support staff (available position is advertised; suitable applicants are interviewed and selected). Successful candidate information is brought forward to the next meeting of Council to be approved by resolution. Candidate interview information including resume and interview notes are retained for 6 months after the date of interview.
- Salaries are reviewed once a year following performance reviews in December. The Chief Administrative Officer also recommends salary increases to Council for approval.



## **RECORDS SECURITY**

The Administrator has full access to all areas of the Munisoft System. Computer is password protected.

Data is backed-up daily. The back-up tapes are retained offsite by the Chief Administrative Officer (CAO)..

Munisoft is software designed for use by Municipalities. When errors are identified in the data, Munisoft IT representatives are contacted for assistance resolving any problems.

The municipality carries appropriate insurance for electronic computer equipment and data loss.

## **SAFEGUARDING OF ASSETS**

The municipality carries adequate insurance coverage for all assets owned and for potential third-party liability.

Insured values are reviewed annually by Council and the Municipality's insurer/agent.

Assets acquired during the year are insured immediately upon possession / title transferring to the Municipality.

The Municipality maintains an up-to-date Policy Manual.

Bonded employees for the Town of Dundurn will have access to the Town Office.

Bonded employees and Council will have access to the Town Council Chambers.

The Dundurn Library and Lessee's will be granted a key to the building and their rental room.

No building keys or codes will be distributed to third parties using Town Council Chambers, access may only be granted by a bonded employee or Council member.

## **PROFESSIONAL DEVELOPMENT**

The Municipality provides opportunities for continued professional development on a regular basis to the Town Council members and employees, including new and updated courses, seminars, conventions, etc. as deemed appropriate.