

Policy Title: Financial Services Policy
Policy Approver: President
Policy Holder: Finance and Administrative services
Executive Lead: Vice-President, Finance and Administration
Category: Administrative Operational Policy
Original Date: October 1992
Last Revised: September 2023
Next Review: January 2022

Policy Statement

Yukon University is committed to responsible management of University resources and will adopt a decision-making model that decentralizes authority and responsibility to the most appropriate level and holds all levels of staff accountable for the prudent use of University funds.

This policy is established to define the financial services that are maintained to ensure University business affairs are conducted in an ethical manner and in accordance with Generally Accepted Accounting Principles.

Approval Statement

With the consent of the Governance Committee of the Board and approval of the Board of Governors, this policy is hereby deemed in effect on September 27, 2023

Karen Barnes

President, Yukon College

January 11, 2017

Date

1. Purpose of Policy

Yukon University is a complex and dynamic institution working with a diverse partnership network, student body, and general public. The University strives to provide a working environment that encourages employees to manage University resources prudently and ensure fair, consistent, and transparent financial management practices when conducting University business.

Pursuant to the Yukon College Act¹, Section 4(1)(a) the College may, “establish and implement policies concerning the organization, administration and operation of the College.” At all times the College will strive to conduct its financial affairs in a manner that is not inconsistent with the procedures followed by the Government of Yukon.

Pursuant to the Yukon College Act¹, Section 14(2) “The Financial Administration Act does not apply to the College.” The University is committed however, to ensuring administrative and operational policies incorporate Board of Governors policies, comply with laws, and reflect the University’s values, legal, and ethical requirements.

This policy works in conjunction with federal and territorial standards and the Collective Agreement to ensure that the University’s accounting and financial procedures and controls consistently comply with Generally Accepted Accounting Principles.

2. Governing Legislation and Relevant Documents

Yukon University Act
Bank Act (Canada)
Collective Agreement
Approval Authority Policy
Procurement & Contracting Policy
Risk Management Policy
Vehicle Usage Policy
Travel Policy
Hospitality Expense Policy

¹ The then Act

3. Scope

This policy applies to all University employees, contractors, students, and other members of the University community who exercise approval authority, manage University funds, and/or generate revenue on behalf of the University.

Where granting agency regulations or negotiated contracts indicate variations from this policy, such variations will apply. If it is unclear which financial management practices apply contact the Finance & Administrative Services office.

4. Definitions

N/A

5. Procedures

The Chief Administrative Officer will establish and maintain appropriate financial accountability by ensuring all accounting and financial procedures and controls consistently comply with Generally Accepted Accounting Principles.

5.01 Banking Arrangements

All Bank Accounts established will be approved by the Chief Administrative Officer and the Manager Financial Services or designates.

All cheques and other negotiable instruments issued by the University will bear signatures of any two of the Positions approved in the Corporate Banking Resolution (must be signed by two current approved signing authorities) in a form required by the University's bank.

Electronic payments will be approved by two authorized users on the automated banking system. The Chief Administrative Officer and the Manager of Financial Services must designate the two authorized users.

Electronic transfers between University accounts will be approved by one authorized user on the automated banking system. The Chief Administrative Officer and the Manager of Financial Services must designate the authorized user.

5.02 Delegated Authorities

Completed and approved delegation of authority forms are filed in Financial Services.

Expense, revenue, contracting and payroll transactions are monitored by the appropriate position in Financial Services to ensure compliance with the delegations as per the Approval Authority policy.

5.03 Accounting Functions and Financial Reporting

All accounting functions necessary to support University operations will be established and maintained by the Chief Administrative Officer and/or the Manager, Financial Services. The following accounting functions are included:

- Accounts Payable
- Accounts Receivable
- Payroll
- Capital Asset Tracking and Reporting
- Financial Reporting
- Budget Development
- Project Costing and Reporting

A chart of accounts will be developed and maintained to ensure that complete and useful information is available to internal and external users.

Regular financial reporting will be provided to the Board of Governors and made available to internal users accurately reflecting the financial position of the University and/or individual units.

5.04 Investments

The University will invest all funds not immediately required to meet short-term obligations, on a pooled basis to realize optimum returns without assuming risks that are inappropriate for a publicly funded educational institution.

All investments must be in accordance with the Yukon University Act. Cash and fund management practices will maximize funds available for investment.

5.05 Borrowing

The Board will approve the borrowing of money except for normal overdraft and credit card provisions.

A temporary line of credit up to \$1,000,000 is permitted and must be repaid within a year of the date it is first accessed.

The University is permitted to establish and maintain corporate credit cards with an overall limit not to exceed \$400,000.

5.06 Bad Debts

All write-offs of inventory or bad debts will be carefully reviewed for potential recoveries and be subject to the following approvals:

- Under \$1,000 - Chief Administrative Officer;
- \$1,001 to \$10,000 – President;
- Over \$10,000 - Board of Governors.

5.07 Budgeting

All units in the University will prepare annual budget estimates for review and final detailed budgets for approved allocations.

Financial Services will provide advice and assistance in the development and maintenance of the budget process and budget preparation.

The annual budget will be approved by the Board of Governors.

Financial Services will load the completed budgets into the financial information system and provide access to a reporting system that enables Managers to monitor their budgets properly.

5.08 Travel

Financial Services will audit all staff travel expense claims to ensure compliance with the Travel Policy.

5.09 Petty Cash

The Manager Financial Services may establish petty cash funds at any campus or campus location based on demonstrated need and volume of transactions.

Petty cash funds will be subject to unannounced audits.

Petty cash funds may be used to reimburse expenses, not exceeding \$100.00, for local travel, parking, city fares, small purchases, approved entertainment expenses, meals and such other expenses.

Petty cash funds will not be used for:

- Personal expenditures;
- Cashing of personal cheques;
- Payment of overtime or any wages for employees on regular payroll;
- Advances for any purpose;

5.10 Indemnification

The Chief Administrative Officer will ensure that appropriate insurance is maintained for the University against all foreseeable liabilities arising from lawful actions of its employees, members of the Board of Governors, and students under the supervision of an instructor.

The University will indemnify and save employees, Board members, and students harmless against all costs, charges, and expenses incurred with respect to any civil, criminal, or administrative action or proceeding to which they are party by reason of being or having been an employee or other member of the Yukon University community. In such cases the University will pay costs to settle an action to satisfy judgement provided the employee, Board member, or student:

- Acted honestly and in good faith in the best interest of Yukon University;
- Acted in accordance with their delegated authority;
- Had reasonable grounds for believing that their conduct was lawful.

Where a claim or legal action is anticipated or brought forward for damages arising from the actions of a University employee, Board member, or student under the supervision of an instructor, the Chief Administrative Officer will be notified immediately. In such cases the President and University insurance carriers will be informed of the circumstances and legal counsel will be sought.

5.11 Amortization of Capital Assets

Capital assets will be amortized annually on a straight-line basis over their estimated useful lives. Deferred capital contribution revenue will be amortized over the same period that the relevant asset is amortized over.

5.12 Problem Solving

Any questions or concerns arising out of the intent, content, or implementation of this policy should be reported to the Chief Administrative Officer.

Where a concern or dispute arises from a decision made as a result of applying this policy the Chief Administrative Officer should be notified as soon as possible. In such cases employees are encouraged to work cooperatively with the University to resolve any concerns.

Bargaining unit members have the right to appeal decisions made under this policy in accordance with the conditions set out in the Collective Agreement.

Excluded and management staff and other members of the University community may appeal decisions made under this policy by following the relevant section(s) of the Appeals and Grievances policy.

6. Other Related and/or Accompanying Documents

Forms:

- Authority Delegation Form
- Credit Card Holder Agreement
- Travel Authorization and Claim Form
- Petty Cash Reimbursement Form
- Petty Cash Float Reimbursement Form

Addendum A - Policy Communication Checklist

7. Document History

Include all updates here, including non-substantive changes, beginning with formal approval.

<i>Date (Month DD, YYYY)</i>	<i>Update (Approver: change)</i>
January 11, 2017	Approved by Karen Barnes, President, Yukon College
September 27, 2023	Board of Governors: section 5.05 borrowing (Sep 27, 2023) University Secretariat: format changes as per the new Policy Framework