



**Bowen
Children's
Centre**

Bowen Children's Centre Society
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Payment and Transaction Policy

Purpose

The purpose of the Payment and Transaction Policy is to outline the procedures regarding the payments and transactions of the Bowen Children's Centre ("BCC"), including electronic payments such as direct deposit transactions for payroll.

Policy

The BCC may make payments for the purchase of materials, supplies, equipment, or other authorized transactions for the benefit of the BCC, and for the purposes of payroll, provided the procedures outlined in this policy are followed.

Procedures

1. Ongoing Direct Debit

- a. Before any ongoing claim against the BCC for any property or services for which it is liable is allowed, an itemized list must be completed and submitted to the Board for approval with the yearly budget.

2. Board Approval of Payment for Goods and Services

- a. No claim against the BCC for goods or services valued in excess of \$500 and not previously approved as part of the BCC's operational or special project budgets shall be allowed unless it is fully itemized and a memorandum regarding the

expenditure is entered into the minutes of the Board meeting that immediately follows the date that the expenditure was made.

- b. No claim against the BCC for goods or services valued in excess of \$1500 and not previously approved as part of the BCC's operational or special project budgets shall be allowed unless it is approved by the majority of the Board prior to the expenditure being made.
- c. The Board is not required to approve payments for employee wages.

3. Inter Account Banking

- a. In managing payments for payroll, it is necessary to transfer amounts between bank accounts as most of the BCC's monthly financial liabilities are paid through the Preschool/Operations account.
- b. Records of these transactions will be kept, reviewed by the bookkeeper and verified against the monthly bank statements for accuracy and Board review.
- c. Amounts transferred from Government funding accounts, including the Gaming Funding, Ministry of Children and Families Development funding, Bowen Island Municipal funding and/or any grants received will be:
 - i. tracked in individual accounts;
 - ii. verified against both the bank statements and the individual accounts; and
 - iii. included in the monthly/quarterly accrual financials for Board review.

4. Payment Authorization

- a. All payments made by the BCC will be by cheque, which must be signed by two signatories except for payments that have been approved by the Board for ongoing direct debit, pursuant to 1(a), above or approved by the Board for a special circumstance.
- b. Confirmation of electronic payments must be kept in the BCC's accounting system, both when the payment is made and via verification at the end of the

month (e.g. comparing bank or other account statements to vouchers done by the bookkeeper).

- c. All payments will be appropriately tracked in the BCC's accounting system.
- d. Signatures of two officers are required to establish a vendor account, one of whom must be the Treasurer.

5. Password Protection

- a. Passwords used to set-up and transmit electronic payments must be kept secure and not shared with unauthorized persons.
- b. If anyone other than the authorized users, including the Executive Director, Assistant Executive Director, Bookkeeper or Treasurer, know the password it will be reset.
- c. New passwords will be established upon termination of employees that use the passwords.

6. Publishing Expenditures

- a. Within the monthly or quarterly financial reporting to the Board, a detailed statement of all expenditures showing amounts spent shall be provided in the financials.

7. Direct Deposit of Payroll

- a. The BCC may pay employee wages by direct deposit into the employee's bank account.
- b. Documentation of steps performed shall be maintained by the person processing the payroll and stored at the BCC.
- c. The Executive Director or another designated person will process the payroll, and must maintain documentation of the steps performed and store this documentation at the BCC, which include:

- i. collecting employee time sheets;
 - ii. entering the data into payroll into the BCC's accounting system (e.g. Ceridian);
 - iii. arranging for appropriate funds to be in the correct BCC bank accounts to pay employees; and
 - iv. collecting pay stubs and delivering them to employees.
- d. Following the completion of the steps identified in (c), someone other than the person(s) processing payroll will:
- i. confirm that the total amount of payroll on the BCC's accounting system matches that on the BCC's bank statements;
 - ii. verify that only the BCC's employees are being paid and that they are only paid once per pay period;
 - iii. review the overall payroll listing for reasonableness; and
 - iv. input payroll amounts into monthly statements for the Financial Committee and the Board to review.

Related BCC policies	This policy approved on: November 19, 2018