



# Expenditure and Accounting Officer Policy

Version 2  
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Finance

# Expenditure and Accounting Officer Policy

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# **Expenditure and Accounting Officer Policy**

## **2. Introduction**

### **2.1 Policy statement**

The Alberta Motor Vehicle Industry Council (AMVIC) is Alberta's automotive industry regulator. AMVIC is a public agency accountable to the Minister of Service Alberta and Red Tape Reduction and the Government of Alberta.

As a public agency, all financial transactions must be approved by an expenditure officer and an accounting officer.

### **2.2 Purpose**

The purpose of this policy is to provide the necessary framework in order to carry out and process its financial obligations in compliance with Sections 37 and 38 of the *Financial Administration Act* (FAA).

### **2.3 Definitions**

In this policy:

- i. "CEO" means the chief executive officer of AMVIC.
- ii. "CFO" means the chief financial officer of AMVIC.

## **3. Policy**

### **3.1 Duties and responsibilities**

#### **3.1.1 CEO**

The CEO shall:

- be responsible for designating expenditure and accounting officers as specified for provincial agencies in the FAA;
- ensure compliance to this policy by employees, contracted personnel and AMVIC Board of Directors; and
- approve all changes to the expenditure and accounting officer listings.

#### **3.1.2 CFO**

The CFO shall:

- maintain this policy and ensure compliance to this policy by employees, contracted personnel and AMVIC Board of Directors; and
- maintain the expenditure and accounting officer listing and recommend any changes to the CEO.

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### 3.1.3 Expenditure officers

Expenditure officers shall:

- adhere to the requirements outlined in this policy and all other relevant AMVIC policies and procedures; and
- review and approve expenditures incurred as part of conducting AMVIC business.

### 3.1.4 Accounting officers

Accounting officers shall:

- adhere to the requirements outlined in this policy and all other relevant AMVIC policies and procedures; and
- review and authorize expenditures approved by expenditure officers for disbursement and maintain records of those expenditures and approvals.

## 3.2 Application of the policy

### 3.2.1 Expenditure officers

Expenditure officers must be AMVIC employees, board members or as appointed by the CEO. They are responsible for managing a department where an approved budget exists.

Expenditure officers must approve all expenditures before they occur and must only approve expenditures that comply with the terms of an approved contract or service agreement. Where no contract or service agreement exists, they must only approve expenditures that are appropriate to the business needs of AMVIC.

### 3.2.2 Expenditure officer limits

Expenditure officer limits are determined by position. This policy prohibits the preparation, design or otherwise structuring of an expenditure in order to avoid exceeding the thresholds of the expenditure officer limits.

| Position                                                                       | Limit          |
|--------------------------------------------------------------------------------|----------------|
| Manager                                                                        | Under \$5,000  |
| CEO                                                                            | Under \$40,000 |
| CEO and any two board directors (one of which must be the chair or treasurer.) | Over \$39,999  |

### 3.2.3 Accounting officers

Accounting officers must be AMVIC employees or as appointed by the CEO. They are involved in any transaction involving the settlement of obligations through the disbursement of funds.

Accounting officers must review and approve all disbursements of funds before they occur and be satisfied that:

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- each underlying expenditure is for valid business purposes and has expenditure officer approval;
- the goods or services have been received;
- there are sufficient funds available;
- in the case of a commitment requiring a future disbursement (i.e. authorization for expenditure, contract, etc.) sufficient funds are available to settle amounts at that time; and
- the payment amount is accurate.

An individual must not act as both an accounting officer and an expenditure officer with respect to the same transaction.

### 3.2.4 Cheque signing authority

Cheque signing is a task separate from the responsibilities of expenditure and accounting officers.

Accounting officers do not have cheque signing authority. Cheques may only be issued for signing upon approval by the accounting officer.

Cheques require dual signatures and any two individuals with signing authority, in accordance with section 3.2.5 of this policy, can review and sign on cheques. Individuals with cheque signing authority are permitted to sign on cheques where they acted as the expenditure officer.

### 3.2.5 Cheque signing authority limits

Limits for cheque signing authorities are determined by position. This policy prohibits the preparation, design or otherwise structuring of an expenditure in order to avoid exceeding the thresholds of the cheque signing authority limits.

| Position                                                                                                                                   | Limit          |
|--------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| Any two of: board director, CEO, senior manager of investigations, manager of communications and education, and manager of legal services. | Under \$40,000 |
| Any two board directors (one of which must be the chair or treasurer)                                                                      | Over \$39,999  |

### 3.2.6 Expenditure and accounting officer listing

The CFO will maintain a current listing of expenditure and accounting officers including their limits of authority. The listing will be based on the limits specified in this policy and present the expenditure and accounting officers by first and last names. The listing is published on the shared network drive and is deemed to be the official listing.

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## 4. Administration

### 4.1 Related documents and legislation

*Financial Administration Act*

Expenditure and Accounting Officer Listing

### 4.2 Procedures

### 4.3 Forms

### 4.4 Amendment history

| Version | Date           | Summary of update                                                                                            |
|---------|----------------|--------------------------------------------------------------------------------------------------------------|
| 1.      | Oct. 6, 2020   | Original. Reviewed and approved.                                                                             |
| 2.      | Sept. 27, 2023 | Updated reference to Service Alberta and Red Tape Reduction.<br>Reviewed and approved by board of directors. |

### 4.5 Scheduled review date

September 2026