

Department: Finance	Section: Financial Management
--------------------------------------	--

FM-01 Financial Management

Policy Statement

To ensure financial management activities and practices that promote appropriate and effective stewardship of all county funds.

Definitions

- *Accountability* means acknowledgment and assumption of responsibility.
- *Best practice* means a set of guidelines, ethics or ideas that represent the most efficient or prudent course of action.
- *Data integrity* means the overall completeness, accuracy and consistency of data.
- *Financial management* means the planning, organizing, directing and controlling the financial activities such as procurement and utilization of funds of the county by applying general management principles to financial resources.
- *Financial operations* means the process of implementing and maintaining strengthened financial management and accountability practices.
- *Internal controls* means the mechanisms, rules, and procedure implemented to ensure the integrity of financial and accounting information, promote accountability and prevent fraud.
- *Canadian generally accepted accounting (GAAP) principles* means the framework of broad guidelines, conventions, rules and procedures of accounting.
- *Public Sector Accounting Board (PSAB)* is the independent body with authority to set accounting standards for the public sector, which includes municipalities. The objective of the standards is to meet the needs of the users of financial statements by providing the information needed for accountability and decision-making.
- *Stewardship* means the conducting, supervising, or managing of something; especially the careful and responsible management of something entrusted to one's care.

Policy Standards

1. Leduc County will conduct its financial operations within the following guiding principles:
 - a. Comply with all applicable legislations and Leduc County policies, administrative directives and procedures.
 - b. Report in accordance with Canadian Generally Accepted Accounting Principles (GAAP) which are the standards approved by the Public Sector Accounting Board (PSAB).
 - c. Maintain appropriate and effective systems of internal controls with the emphasis on relevant administrative directives, data integrity and clearly defined roles and accountabilities.

Approved Date:	Motion No:	Page No.
February 11, 2020	40-20	1 of 2

Department: Finance	Section: Financial Management
--------------------------------------	--

- d. Maximize utilization of available resources such as alternative revenue sources (i.e. grants).
- e. Use a best practice approach.
- f. Continue monitoring and reporting on operating and capital variances.
- g. Leverage technology to create operational efficiencies and improve internal controls.

Policy Authority

The Financial Management Policy shall consider and incorporate all legal and legislative requirements under the *Municipal Government Act*, the *Public Sector Accounting Standards*, the *Canada Revenue Agency*, the *Freedom of Information and Protection of Privacy Act*, the *Alberta Employment Standards* and any other relevant legislation.

Policy Responsibilities

1. Council responsibilities

Council shall:

- approve a financial management policy.

2. Administration responsibilities

County Manager or designate shall:

- direct administration to develop the necessary administrative directives to implement this policy; and
- approve those administrative directives.

Director of Finance shall:

- create, update and review administrative directives;
- monitor and review the MGA, PSAB and all other regulations for changes at established intervals;
- oversee the daily operational obligations required to meet this policy;
- ensure finance staff is aware and abiding by the policy and associated regulations; and
- maintain and update this policy.

Staff shall:

- be aware of and adhere to the policy.

Monitoring & Updating

1. This policy shall be available for public inspection and will be posted on Leduc County's website.
2. This policy shall be reviewed at least once every 4 years.

Approved Date:	Motion No:	Page No.
February 11, 2020	40-20	2 of 2