

NACOR

2013

National Association of Canadian Optician Regulators

POLICY MANUAL



Amended April 1, 2013

Framework Governance Policies and Procedures

Policy Number: 1.1

Review Date: April, 2013

Section: Framework Governance

Subject: Philosophy

INTENT

To state the philosophy of NACOR with respect to the management structure of the organization.

POLICY PROCEDURES

NACOR is a federation comprised of the optician regulatory bodies from each of the ten Canadian provinces. The authority of NACOR is delegated by its members, with each member being equal within the structure of NACOR.

NACOR operates programs for its members by its members. The Executive Committee, through various committees and working groups, is responsible for achieving and completing the objectives as outlined in the strategic plan. All members of NACOR are expected to be active participants in the affairs of NACOR.

NACOR retains the services of the Winnipeg office for management support. The office will provide all possible assistance, but shall not assume the roles and responsibilities of either the Executive or other Committees in completing their tasks. The office reports to the Executive Committee collectively, and not to each individual Director. One primary area of responsibility of the office is to coordinate activities between Directors. As a result, Directors should keep the office briefed on their activities and issues.

NACOR POLICY STATEMENT

Mandate

The National Association of Canadian Optician Regulators (NACOR) is an organization of Canadian Regulatory Agencies.

The Mission of NACOR is to:

- Provide a forum for networking and information exchange among Canadian Optician Regulators;
- Develop quality benchmarks for accreditation standards and processes for Opticianry
- Monitor and investigate common issues related to accreditation and mobility of Opticians, both nationally and internationally.

Policy Statement

Since 1997, NACOR has been nationally recognized and operating as an independent, competent and principled regulatory authority. NACOR's intention is to continue to develop and improve the accreditation process, examinations and labour mobility for national and international Opticians, and declares that it will:

- Make its decisions objectively, impartially, and in full conformity with the law, without being susceptible to any influence or pressure from stakeholders.
- Implement its goals, ideals, and internal organizational functions in an independent, transparent and accountable manner.
- Maintain its status as a separate legal entity, and enforce restrictions on use of its physical facility and employees.
- Strengthen the public's confidence in the Opticianry profession by following a policy of openness and transparency in its communication with stakeholders.
- Maintain a fair and open forum with all Canadian regulatory agencies.
- Maintain an independent and accountable Board, Chief Administrative Officer and committees in order to avoid conflict of interest with other stakeholders.

Internal Organization Policy

- **Accounting:** the Association is responsible for its own financial reporting, control and capital (equity and income).
- **Human Resources:** the Association is responsible for managing, recruiting, training, termination, payroll, benefits and employee relations.
- **Operations:** the Association is to ensure that labor mobility is upheld and the accreditation process effectively supports Canadian Optician regulators.
- **Procurement:** the Association is responsible for acquiring the goods and services necessary for the organization.
- **Research and Development:** the Association is to continuously develop protocols to ensure labor mobility for Opticians across Canada.
- **Information Technology:** the Association is to manage the organization's computer-based information systems (applications and hardware), data assets and security, and to use its own technology to stimulate further office efficiency.
- **Administration:** to provide administrative support to all departments of the Association.

NACOR recognizes that Shared Services is an acceptable best practice approach to reducing office costs and enforces shared service provided it does not generate conflict of interest with other stakeholders.

Operational Governance Responsibilities Policies and Procedures

Policy Number: 2.1

Review Date: April, 2013

Section: Governance

Subject: Roles & Responsibilities

INTENT

To establish the roles and responsibilities of the members of NACOR's Executive Committee.

POLICY PROCEDURES

Executive Committee: The Executive Committee of NACOR shall consist of four directors elected by the members-at-large in accordance with NACOR by-laws and the policies and procedures established by the Executive Committee.

The Chief Administrative Officer will be a non-voting, ex-officio member of the Executive Committee.

The Executive Committee of NACOR shall strike a policy-review working group on a basis of every five years (5) years.

The Executive Committee shall oversee the service contract with the Management Group.

Duties of the Officers:

Chair

In addition to acting as the Chair of all Executive Committee and NACOR meetings, the Chair shall coordinate the preparation and delivery of each meeting of NACOR with the Chief Administrative Officer; liaise with other associations; oversee the attendance of Directors at Executive Committee meetings; and review with Directors cases of repeated absences.

Vice Chair

The Vice-Chair shall act on behalf of the Chair in any instance where the Chair has become incapacitated or is otherwise unavailable to perform his/her duties; maintain current by-laws and policies; and present to the board any policies requiring discussion or review.

Finance

The Treasurer shall oversee all financial duties and responsibilities of NACOR; work with the Chief Administrative Officer to develop the budget for the next fiscal year; oversee the activities of an liaison with auditors appointed by the members and review the finance policy.

Duties of the Directors: Directors

There is a director appointed to represent each province that is interested in participating in NACOR. Directors shall attend all meetings of NACOR and shall offer their views, without bias, on business brought to the meeting. Directors shall be aware of and strive to ensure that NACOR achieves its mandate, and shall act as liaisons to designated committees or working groups. From the directive of the membership, the Chair, Vice Chair and Director of Finance are elected on an annual basis in accordance with the by-laws.

Chief Administrative Officer

The Chief Administrative Officer is the senior staff officer of NACOR and shall be responsible for overseeing the day-to-day management and administration of NACOR.

Policy Number: 2.2

Review Date: April, 2013

Section: Governance Responsibilities

**Subject: By-law, Operations and
Policy Development**

INTENT

To establish a process for the development and adjudication of proposed policies of NACOR to ensure that future policies are consistent with existing policies, and to ensure that the policy and procedures manual retains its accuracy and integrity.

POLICY PROCEDURES

The Executive Committee will review, on at least a bi-annual basis, the by-laws and policies of NACOR to ensure that they reflect current practices. Such a review will be initiated by the Vice-Chair.

New policies may be proposed by any Executive Committee Member, or any Committee or Working Group. The Executive Committee will ensure that a full review of any proposed policy is conducted, which will include consideration being given to any possible ramifications and/or implications of proceeding with the respective policy.

Changes to the existing by-laws and policies, and/or the introduction of new processes will be presented to NACOR for approval.

New or updated by-laws and policies will be provided to all NACOR members in both hard copy and electronic format.

Policy Number: 2.3

Review Date: April, 2013

Section: Governance Responsibilities

Subject: Policy Development

INTENT

To establish the manner in which policies are developed.

POLICY PROCEDURES

1. Due consideration must be given to the core values and strategic plan of NACOR when developing any policy.
2. Policy will be reviewed on a cursory level every two years, and a full policy review will be conducted every five years.
3. NACOR may, by motion, add, change, or delete any policy.

Policy Number: 2.4

Review Date: April, 2013

Section: Governance

Subject: Policy Review and New Policy

INTENT

To detail the method and frequency in which policy review takes place, as well as to outline the procedure for introduction of a new policy.

POLICY PROCEDURES

1. The Vice-Chair will conduct a policy review at a cursory level every two years.
2. The Executive Committee will strike a working group that is responsible for conducting a policy review every five years, such a review will be led by the Vice-Chair.
3. Any changes to the existing policies will be presented to NACOR for approval.

RELATED PROCEDURES

New policies may be proposed by any NACOR member or working group at any time. The Executive Committee will review the proposed policy, which will include consideration of the ramifications and implications of the suggested policy.

Policy Number: 2.5

Review Date: April, 2013

Section: Governance Responsibilities

**Subject: Evaluation Process for
Chief Administrative Officer**

INTENT

To have a policy in order to evaluate the progress and performance of the Chief Administrative Officer in terms of job performance, effectiveness, efficiency, integrity, professional traits, abilities and skillset.

POLICY PROCEDURES

1. The Chair and Executive Committee are responsible for conducting the evaluation of the Chief Administrative Officer.
2. The Executive Committee shall hold primary responsibility for conducting the evaluation, where other members may be involved in the process it is at the discretion of the Executive Committee.
3. The Chief Administrative Officer shall participate in his/her evaluation and shall be given the opportunity for self-evaluation on forms that are provided.
4. Meeting shall be held between the Chief Administrative Officer and the Executive Committee to discuss:
 - a) The description of the Chief Administrative Officer's position, including the objectives of the role of the Chief Administrative Officer, timelines by when to achieve such objectives and any special expectations of the Executive Committee;
 - b) The basis for the evaluation and the evaluation process;
 - c) Submission of a self-evaluation and or a plan for professional improvement on behalf of the Chief Administrative Officer;
 - d) Providing a copy of the evaluation to the Chief Administrative Officer; and
 - e) Information concerning the Executive Committee's recommendation(s).
5. The Executive Committee must keep a written record of any performance problems that could lead to implementation of the disciplinary process.

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6. Once the Chief Administrative Officer and the Chair sign the evaluation, it is forwarded to the Executive Committee for review and comments.
7. The Chairperson forwards the signed evaluation of the Chief Administrative Officer to be put into the Chief Administrative Officers personnel file.
8. With the exception of the evaluation copies that are sent to the Executive Committee and the Chief Administrative Office, no additional copies may be retained or made. At each stage, the evaluation is to be forwarded it must remain a confidential document.
9. The Executive Committee may review the Chief Administrative Officer's previous evaluation from his/her personnel file provided it is relevant to the current performance evaluation.

Board Self Governance Policies and Procedures

Policy Number: 3.1

Review Date: April, 2013

Section: Governance

**Subject: Orientation and Training
of NACOR Members**

INTENT

To provide information and training to new members in the areas of governance, finance, operations, personnel and public relations of NACOR.

POLICY PROCEDURES

1. A NACOR orientation manual will be provided to new members by the Chief Administrative Officer at their first meeting AGM.
2. Directors will be encouraged to attend Governance training that will be hosted in the Directors respective community.
3. The Chief Administrative Officer will ensure that the NACOR orientation manual includes information pertaining to the following areas:
 - a) By-laws
 - b) Policy and Procedures Manual
 - c) Annual Audit

Policy Number: 3.2

Review Date: April, 2013

Section: Governance

Subject: Due Diligence

INTENT

To ensure that the members of the Executive Committee clearly understand what is expected of them in terms of commitment and participation on the Committee.

POLICY PROCEDURES

Executive Responsibility:

The Executive Committee shall:

- a) Have read and agreed to all by-laws, policies and procedures of the organization;
- b) Recommend and oversee the policy direction of NACOR affairs;
- c) Be responsible for implementation on an operational level of such programs and services that the Executive Committee has set in its Strategic and/or Operations Plan;
- d) Manage matters requiring urgent attention that arise in between NACOR meetings, and act in the best interest of NACOR;
- e) Work with the Chief Administrative Officer to ensure that the administration of NACOR is being handled in both an efficient and effective manner.

Executive/Committee Meetings:

Each Executive Committee member shall be responsible for attending all meetings of the Executive Committee and of any committee on which they are an appointed member unless compelling cause prevents such attendance.

Policy Number: 3.3

Review Date: April, 2013

Section: Governance

Subject: Meetings

INTENT

To establish how NACOR meetings are conducted, and the manner in which meeting agendas are developed.

POLICY PROCEDURES

1. NACOR meetings are to be held a minimum of 2 times per year.
2. NACOR meetings will be attended by delegates from each of the provincial optician regulatory agencies.
3. NACOR meeting attendees shall be informed of future meetings prior to its date, where all information that is necessary for attendees to make informed decisions at the meeting must be made available in advance of the meeting.
4. Notice of all NACOR meetings shall be posted on the NACOR website and provided to all members in advance of the scheduled date.
5. The Chair of the Executive Committee shall act as chair for all NACOR meetings.
6. Upon calling the meeting to order the Chair shall determine if a quorum has been reached, where a majority shall constitute a quorum. If a quorum has not been established, then the meeting shall not proceed, but reconvene at a later date.
7. NACOR meeting dates may be changed or cancelled as required, and may be held in person, by telephone or video conferencing.
8. All agendas for the meeting are to include unfinished business, new business and other business.

Policy Number: 3.4

Review Date: April, 2013

Section: Board Governance

Subject: In-Camera Discussions

INTENT

To establish the manner in which in-camera discussions are held.

POLICY PROCEDURES

When occasions arise requiring discussions of a confidential nature, such meetings will be held in-camera, where only the necessary parties will be permitted to attend the discussion.

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Policy Number: 3.5

Review Date: April, 2013

Section: Governance

Subject: Confidentiality

INTENT

To ensure managed release of any information pertaining to the activities of NACOR by requiring that all discussions in regards to the organization be held in the strictest confidence by any individual made privy to the information (such individuals may include, but are not limited to, guest speakers, staff and members of NACOR).

POLICY PROCEDURES

Access to Information: Members, staff and guest speakers will have access to and be entrusted with detailed, confidential information concerning the business of NACOR and its members. All parties sign a confidentiality agreement.

Designation of Confidential Information: At the conclusion of each NACOR meeting, materials provided and matters discussed will be classified as confidential and recorded accordingly.

Non-Disclosure of Information: No NACOR member, during the course of their tenure or at any point thereafter, shall disclose any confidential information, including information regarding national examination content and ongoing education agency accreditation to any person without the prior written permission of an authorized representative of NACOR; unless that person has been required to do so by order of the courts.

Related Procedures

NACOR members are presumed to have agreed upon and accepted NACOR's terms of confidentiality unless the individual explicitly states otherwise.

Policy Number: 3.6

Review Date: April, 2013

Section: Governance

Subject: Conflict of Interest

INTENT

To provide guidelines regarding the course of action that should be followed by any member who finds him or herself in a situation that poses a conflict of interest; and secondly, to outline the ramifications to the member should he/she fail to follow the appropriate measures in a circumstance where a *bona fide* conflict of interest exists.

DEFINITION

For the purposes of this policy, the following definitions apply:

A conflict of interest exists where a member knowingly benefits directly or indirectly from a decision or action of NACOR or its representatives.

POLICY PROCEDURES

A member shall disclose all actual, perceived, or potential conflicts of interest.

A member shall not participate in any transaction involving NACOR from which they may directly or indirectly benefit except where their participation has been explicitly disclosed to, and approved by, NACOR.

RELATED PROCEDURES

No member may be compensated by NACOR for services directly or indirectly except where such compensation has been explicitly approved by the Executive Committee.

APPLICATIONS

Any member of NACOR who reports a conflict and who therefore does not participate in the decision-making process pertaining to the respective issue shall be protected from any sanction.

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Any member who fails to report a conflict of interest and/or has not disqualified him or herself from deliberations of the matter where there is a conflict of interest shall be subject to sanctions that may be imposed by NACOR ranging from temporary disqualification to permanent removal. At a regularly constituted or special meeting, members may effect removal of the individual in question by a majority vote of those present at the meeting.

In all cases where a conflict is later found, at its earliest opportunity NACOR shall re-examine the matter for which a conflict existed.

RELATED PROCEDURES

NACOR members are presumed to have agreed upon and accepted NACOR's terms of conflict of interest unless the individual explicitly states otherwise.

Financial Policies and Procedures

INTRODUCTION

The policies and procedures are intended to govern the finances of NACOR.

It may be necessary for the Executive Committee to make financial and administrative rules and regulations to further define the policies and procedures, but the rules and regulations may not alter the purpose and intent of these guidelines. The NACOR Board of Directors will have the authority to make additions, changes or deletions, as required.

These policies and guidelines apply to personnel, including the Executive Committee, Board of Directors, and permanent and temporary employees involved in NACOR. The Board of Directors shall be the final authority in the interpretation and application of the guidelines.

Policy Number: 4.1

Review Date: April, 2013

Section: Financial Controls and Responsibilities

Subject: Financial Controls System & Philosophy

POLICY: All revenue, expenditures, and other financial transactions shall be processed in accordance with the financial policies and procedures sound business practices, and in accordance with Generally Accepted Accounting Principles. (GAAP)

The system is designed to set out internal financial controls and the procedures to process all administrative and financial transactions. It also provides guidance on financial transactions for the Board of Directors, the Executive Committee, and the Finance and Audit Committee.

- PROCEDURE:**
1. The financial control system is made up of internal checks and balances to make certain that:
 - a. Expenditures are necessary and related to NACOR goals;
 - b. Expenditures are for a purpose set out in the approved budget plan and are within the amounts permitted by the budget;
 - c. Expenditures are authorized by the Chief Administrative Officer and/or the Treasurer as appropriate;
 - d. Expenditure amounts are accurate;
 - e. Revenues are properly accounted for and deposited in a NACOR account.

Policy Number: 4.2

Review Date: April, 2013

Section: Financial Controls & Responsibilities

Subject: Financial Responsibilities & Authorities

POLICY: The Board of Directors is responsible for:

- a) Setting the direction through financial plans (budgets);
- b) Establishing the manner in which the administration will move in that direction (policies and procedures);
- c) Overseeing how well the administration is doing in achieving the goals and following the policies and procedures (progress reports, review of financial statements and review of auditor's report).

The Chief Administrative Officer is responsible for adhering to the direction, policies and procedures set by the Board of Directors and Executive Committee and providing the Board of Directors, Executive Committee and the Finance and Audit Committee with the information it needs to oversee NACOR's operations.

PROCEDURE:

- Board of Directors:**
1. The Board of Directors is accountable to NACOR's membership for the overall financial management of NACOR.
 2. The Board of Directors ensures the Executive Committee and administrative staff is working toward the community's goal by:
 - a) Establishing NACOR's priorities;
 - b) Approving of an annual budget and financial plans to focus on these priorities.
 3. The Board of Directors will oversee the financial process by reviewing NACOR's financial reports and audits to ensure the policies, procedures, and approved budget are being followed by the administrative staff.

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- Finance and Audit Committee:**
1. The Finance and Audit Committee is Accountable to the Board of Directors for:
 - a) Making the financial decisions required to manage and operate NACOR between meetings;
 - b) Implementation of financial policies and procedures approved by the Board of Directors.
 2. The Finance and Audit Committee reviews and provides recommendations to the Board on all financial decisions required of the Board by NACOR's policies and procedures.
- Chief Administrative Officer:**
1. The Chief Administrative Officer reports directly to the Executive Committee and has the overall responsibility for NACOR administration including:
 - a) Managing the budget process by coordinating the proper planning and preparation of budgets and by guiding the budget process for the approval of the annual budget and subsequent budget amendments;
 - b) Establishing and implementing a proper accounting system to control and monitor NACOR's financial transactions;
 - c) Reviewing and approving all revenue and expenditure transactions to ensure all supporting documents are included and signed with the appropriate authorization;
 - d) Ensuring NACOR's fixed assets registry is current and maintained properly;
 - e) With the advice and assistance of the Finance and Audit Committee recommending amendments to the policies and procedures and internal control mechanisms;

2. In carrying out their responsibilities, the Chief Administrative Officer has the authority to:
 - a) Initiate financial transactions related to programs, services and administration;
 - b) Establish program objectives and initiate the budget process by presenting and defending program and budget proposals to the Board of Directors
 - c) Finding the most effective way of achieving their programs' objectives within the limits of the annually approved budget.

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Policy Number: 4.3

Review Date: April, 2013

**Section: Financial Controls &
Responsibilities**

Subject: Financial Audit

SUBJECT: Financial Audit

POLICY: An annual financial audit shall be conducted for the fiscal year January 1st to December 31st. The audit will be conducted by a recognized accounting firm. The financial statements of NACOR must be audited within four months of the end of the fiscal year (December 31).

The auditor shall be appointed annually. The Board of Directors with the advice and assistance of the Chief Administrative Officer and the Finance and Audit Committee, shall recommend an auditor for appointment at the NACOR Annual General Meeting.

- PROCEDURES:**
1. The auditor is responsible for:
 - a) Reviewing NACOR's financial statements for the past fiscal year to ensure they are a fair representation of NACOR's financial position;
 - b) Evaluating the effectiveness of the financial reporting system and internal controls;
 - c) Determining compliance with policies and procedures established by the Board of Directors, the annually approved budgets, Generally Accepted Accounting Principles, and applicable legislation;
 - d) Providing a management report identifying strengths, weaknesses and recommendations for improvement to the financial management system;
 - e) Completing the annual audit within the time set by the Board of Directors.
 2. The auditor shall have a written report of the Audited Financial Statements for the membership.
 3. If the auditor is able, they may present the actual report to the membership at the Annual General Meeting.
 4. NACOR shall make every effort to comply with all recommendations made by the auditor.

Policy Number: 4.4

Review Date: April, 2013

**Section: Financial Controls &
Responsibilities**

Subject: Financial Reporting

POLICY: The Chief Administrative Officer shall prepare, at each month's end, a financial summary of NACOR's financial position and a written analysis as to the financial status reflected in the summary.

The month end financial summary must include revenues and expenditures for all programs, and a balance sheet.

The Chief Administrative Officer shall prepare, at the end of each quarter, a financial summary of NACOR's financial position and a written analysis as to the financial status reflected in the summary.

- PROCEDURE:**
1. The Chief Administrative Officer shall obtain bank statements for NACOR accounts and review them for accuracy and completeness. The Chief Administrative Officer then reconciles the statements and keeps a record of the reconciliation for the auditor.
 2. The Chief Administrative Officer shall present the financial summary to the Finance and Audit Committee.
 3. The Chief Administrative Officer shall review the status of the accounts receivable and make recommendations to the Board of Directors where the accounts appear uncollectible.

Policy Number: 4.5

Review Date: April, 2013

**Section: Financial Controls &
Responsibilities**

Subject: Budgeting

POLICY: NACOR shall have an annual budget for the upcoming fiscal year approved and sanctioned by the Board of Directors by the fall meeting of the current year.

- PROCEDURE:**
1. The Finance and Audit Committee will be responsible for assisting in the development of the annual budget.
 2. The Finance and Audit Committee shall review the budget and make recommendations on the approval of the budget to the Board of Directors.

Policy Number: 4.6

Review Date: April, 2013

**Section: Financial Controls &
Responsibilities**

Subject: Monitoring the Budget

POLICY: The Finance and Audit Committee is responsible for monitoring compliance to, and policy development for the budget.

PROCEDURE: The Finance and Audit Committee shall review and monitor the budget on an ongoing basis or as changes are proposed.

Policy Number: 4.7

Review Date: April, 2013

Section: Financial Controls & Responsibilities

Subject: Automated Systems

POLICY: The administrative office will ensure that the integrity of the computer network is maintained through procedures documented in areas of:

- a) Backups
- b) Orderly shutdowns
- c) Maintenance, repairs and troubleshooting
- d) Security and privileges
- e) Upgrades
- f) Staff training

PROCEDURES: 1. Administrative staff will ensure that:

- a) Daily backups of server data occur, with weekly backup data to be stored on-site in a secured and fire resistant location.
- b) All maintenance, repair and upgrading of computer systems will be made in-house when possible and in the event that repair cannot be made in-house, an approved systems company will be contacted;
- c) The highest level of security will be maintained in the network while allowing staff appropriate access;
- d) The network's technology is maintained, supported and advanced through upgrading software as available from the supplier;
- e) Staff will be trained to a comfortable working level, when new software or staff are brought on board.
- f) Staff is aware of outsider malicious attacks including computer viruses.

Policy Number: 4.8

Review Date: April, 2013

**Section: Financial Controls &
Responsibilities**

Subject: Equipment Replacement

POLICY: To ensure that an upgrade/replacement five year plan is outlined for technology within NACOR for both hardware and software.

- PROCEDURE:**
1. A current market replacement value will be assigned to each piece of hardware and/or software that is estimated prior to purchase for budgetary purposes.
 2. Hardware/software pricing shall be estimated using both original quotes as well as updated quotes.
 3. An estimated timeframe will be established as to when current hardware/software will require replacement.
 4. Due to unforeseen issues and/or failures, it may be necessary to upgrade or replace items outside of the proposed timeframe.
 5. The replacement and upgrade plan with a five-year timeframe will be established.

Policy Number: 5.1

Review Date: April, 2013

Section: Expenditures

Subject: Expenditures Approval

- POLICY:** Once the Board of Directors has approved the annual budget, the following limits shall be in place for all capital and operating expenditures except pre-set recurring payments set out in the annual budget (or properly approved after the budget is adopted) such as payroll, rent, loan payments, and equipment and office lease payments.
- a) The Chief Administrative Officer may approve expenditures up to \$1,000 where the expenditure will not cause the amount in the appropriate budget line to be exceeded;
 - b) The Chief Administrative Officer may approve expenditures up to \$15,000.00 where the expenditure will not cause the amount in the appropriate budget line to be exceeded by more than 10%;
 - c) The Executive Committee may approve all expenditures where the expenditure will not cause the amount in the appropriate budget line to be exceeded by more than 25%. The Executive Committee may also approve unbudgeted expenditures up to \$25,000. The expenditure shall be reported to the Board of Directors at the next Board Meeting.
 - d) Unbudgeted expenditures greater than \$25,000 and expenditures that will cause a budget line to exceed by more than 25% must be approved by the Board of Directors based on the administration's written report before the expenditure can be made.

Policy Number: 5.2

Review Date: April, 2013

Section: Expenditures

**Subject: Cheque Requisitions
and Printing**

POLICY: Cheques will only be issued for approved expenditures.

**Cheque Requisitions
for Approved Expenditures:**

A Cheque Log, accompanied by all required documents, is prepared by the Chief Administrative Officer and provided to the Treasurer for review and approval before a cheque can be issued.

**Incoming Invoices and
Accounts Payable:**

1. The Chief Administrative Officer shall review all invoices as soon as they are received. If the goods or services on the invoice do not match those received, the Chief Administrative Officer must investigate. If the goods or services on the invoice do match or any problems have been resolved, the Chief Administrative Officer prepares a cheque and includes the information on the cheque log.
2. The Chief Administrative Officer sends the documents to the Treasurer for review and approval.
3. By preparing the cheque log the Chief Administrative Officer is certifying that:
 - a) The expenditure is valid according to these policies and procedures;
 - b) The information on the cheque log is correct;
 - c) The required supporting documents are attached and were reviewed;
 - d) In case of a purchase order, that the goods or services received were ordered and were in proper condition, or;
 - e) In the case of an invoice related to a contract, that the work was completed according to the terms of reference.

4. In order to maximize financial benefit, expenditures that offer terms of payment, or a discount for early payment should be utilized.

Policy Number: 5.3

Review Date: April, 2013

Section: Expenditures

Subject: Signing Authority

POLICY: Cheques must be signed by two of the following:
Chief Administrative Officer, or designate as chosen from the Board of Directors via motion. There should be a minimum of three available signing authorities for NACOR.

- PROCEDURES:**
1. Cheques may only be released when the required documentation for the expenditure is returned, approved by the Treasurer, to the Chief Administrative Officer.
 2. No one shall sign blank cheques.
 3. NACOR's seal may be affixed as required on legal documents with the approval of any two signing officers.
 4. The Chief Administrative Officer shall ensure signed cheques are sent to the vendor or contractor, or, in the case of expense claims, appropriate staff or officer.

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Policy Number: 5.4

Review Date: April, 2013

Section: Expenditures

Subject: Financial Audit

POLICY: Some goods or services will be purchased under a contract with terms of reference that accurately set out the scope of the work, goods and the associated costs by NACOR.

- PROCEDURES:**
1. All service contracts for more than \$5,000 must be reviewed by the Chief Administrative Officer and approved by the Board of Directors before being signed.
 2. Where the contract creates considerable obligation on NACOR (due to its complexity, length of time, legal nature or financial consideration), the Chief Administrative Officer should consider asking NACOR's legal counsel to review the terms of the contract.
 3. All contracts must be signed by the Chief Administrative Officer and an Executive Committee signing officer or their designate.
 4. Payments under a contract can only be made once the proper invoicing and cheque issuing procedures have been followed.
 5. If the Chief Administrative Officer or the Executive Committee feels hiring a contractor to provide goods or services is necessary, NACOR must ensure adequate funds for the purpose are immediately available. This section does not apply to long-term leasing or equipment rental contracts and agreements.
 6. The Chief Administrative Officer is responsible for:
 - a) Preparing a terms of reference that accurately describes the work required;
 - b) Distributing the terms of reference to the potential bidders;
 - c) Obtaining bids from appropriate suppliers.

7. The Chief Administrative Officer may delegate this responsibility to an employee on a contract-by-contract basis.
8. At the discretion of the Chief Administrative Officer and Executive Committee multiple bids with a minimum number set by the Chief Administrative Officer should be obtained. A written record of the bids must be maintained.
9. The lowest bid best able to fulfill the terms of reference should be recommended. If the lowest bid is not recommended, an explanation of why it is not must be provided to the Board of Directors.
10. Three copies of the contracts are prepared and terms of reference are attached to each copy.
11. If the successful holder signs the contract, the contract is valid, and the policies and procedures have been followed, the Chief Administrative Officer and the Executive Committee signing officer shall sign the copies of the contract.
12. One copy of the signed contract is sent to the contactor. The other two copies are retained by the Chief Administrative Officer.
13. A budget allocation is made and an account line under the appropriate budget category for the entire amount of the contract is assigned.

Policy Number: 5.5

Review Date: April, 2013

Section: Expenditures

Subject: Overlap of Staff Services

SUBJECT: Overlap of Staff Services

POLICY: Any overlap of responsibility by individuals at a national event or meeting shall be identified to NACOR and the parties for whom the individual has agreed to provide service while at those events or meetings shall share the expenses for that individual.

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Policy Number: 5.6

Review Date: April, 2013

Section: Expenditures

Subject: Personal Claims

POLICY: NACOR will have a system of providing travel expenses to the Board of Directors, employees or other NACOR representatives for expenses incurred while traveling on NACOR business.

The funds used to cover travel expenses come from NACOR revenues. These funds exist for the benefit of NACOR or programs as a whole. Proper and fair use of travel expense claims for the reimbursement of travel expenses is a responsibility of the Board of Directors, Committee Members, and employees and should be accepted as a responsibility of their position.

Expenses will only be reimbursed for travel on NACOR business.

All NACOR employees who travel on NACOR business are required to obtain approval for the travel from the Executive Committee. The Travel Expense Form and required receipts should be submitted for approval within 2 weeks of completing travel.

An individual must attend the full session of any meeting to be eligible for full travel reimbursement. The Executive Committee or the Chief Administrative Officer may consider exceptions to this policy due to illness, travel delays, weather or other unpredictable circumstances.

If an individual cannot attend a full session, the person must notify the meeting Chair.

If an individual applies for and receives a travel advance, and does not make the planned trip or the actual cost of the trip is less than the advance, the person must return the money not used for travel expenses to NACOR. If an individual does not return the money, the Chief Administrative Officer shall issue a notice for recovery and with hold all future travel expenses until paid in full.

The Treasurer is responsible for approving all Travel Expense Forms.

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- PROCEDURES:**
1. When an individual completes a trip, they must complete a Travel Expense Form and attach all proof of expenses (hotel and other receipts for review by the Chief Administrative Officer).
 2. If the individual received a travel advance and the total amount of the proof of travel is less or greater than the amount of the travel advance, the Chief Administrative Officer shall submit the amended expense claim to the Treasurer for the approval of the adjustments. If the Adjustment is approved, the Chief Administrative Officer shall release a cheque for the additional costs (if expenses were more than the cost) or request a reimbursement for money not spent (if the expenses were less than the travel advance cheque provided).
 3. The original receipt must be provided to support claims for hotel, parking, bus, rail, taxi or airfare.
 4. NACOR will not pay for:
 - a) Tips, telephone charges or incidental charges to a hotel room unless a meeting of NACOR business is being hosted.
 - b) Parking violations or traffic tickets of any kind.
 5. Meals, mileage and incidental expenses will be paid according to receipts provided and listed on the Travel Expense Form.

Policy Number: 6.1

Review Date: April, 2013

Section: Revenue and Assets

Subject: Revenues

POLICY: The Chief Administrative Officer shall accept and deposit all revenues received by NACOR in NACOR's bank account(s). Receipts are provided for any revenue by NACOR members, customers or suppliers.

The Chief Administrative Officer shall prepare a deposit form for all deposits and send a monthly print out of deposits to the Treasurer.

- PROCEDURES:**
1. Revenue must be recorded and a receipt showing the purpose of the payment given to the payer.
 2. The Chief Administrative Officer enters the information into the automated accounting system and NACOR database as required.
 3. The Chief Administrative Officer shall prepare a deposit form that includes the date of deposit and itemizes all deposits and the funds deposited into the proper account.
 4. The Chief Administrative Officer shall compare the bank statements, the deposit forms, and the bank reconciliations.

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Policy Number: 7.1

Review Date: April, 2013

Section: Financial Administration

Subject: Year-End

- POLICY:** Expenditures may be made out of the previous year's budget after the end of a fiscal year only if the goods or services were provided or services were provided or committed to before the year-end and a proper invoice was received and authorized.
- No other expenditure may be made from a previous year's budget unless the Board of Directors authorizes the expenditure.
- PROCEDURE:** NACOR shall follow Generally Accepted Accounting Procedures for closing out year-end and the transfer of surpluses and deficits to new year's budget.

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Policy Number: 7.2

Review Date: April, 2013

Section: Financial Administration

**Subject: Long Term Lease and
Purchase**

POLICY: In the policy long-term leases are considered large investments. As such each lease or large purchase shall be discussed in consultation with the Board of Directors, and is not to be decided by staff in seclusion.

PROCEDURE: All leases and purchases are to be approved by the Board of Directors.

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Policy Number: 7.3

Review Date: April, 2013

Section: Financial Administration

Subject: Insurance

SUBJECT: Insurance

POLICY: NACOR shall procure and maintain adequate general insurance coverage for its operations and assets.

NACOR shall procure and maintain adequate Board Liability Insurance coverage for its finance and operations that saves harmless the Board of Directors, Executive Committee and Employees.

Policy Number: 7.4

Review Date: April, 2013

Section: Financial Administration

Subject: Credit Cards

SUBJECT: Credit Cards

POLICY: NACOR may apply for credit and or credit cards as it deems necessary to facilitate the ongoing day to day operations of NACOR.

PROCEDURE:

1. The Chief Administrative Officer must prepare the application for credit cards in the name of NACOR, for approval by the Board of Directors.
2. Credit cards shall be used only for expenditures approved for and contained within the annual NACOR budget. There shall be no personal use of the credit card unless authorized by the Finance and Audit Committee. All policies and procedures relating to expenditures shall apply to purchases with credit cards.
3. All billing charges shall be mailed directly to the NACOR office. All charges shall be paid in full monthly in order to eliminate interest charges.
4. Staff usage of credit cards must return expenditure receipts as soon as possible after the expenditure to allow for reconciliation of the credit card statement.

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Policy Number: 7.5

Review Date: April, 2013

Section: Financial Administration

Subject: Surplus Funds/Reserves

INTRODUCTION:

- a) NACOR is a membership based organization
- b) The NACOR Board of Directors recognizes the need for a policy to maintain and to manage an amount of reserved funds sufficient to ensure that NACOR is able to fulfill its financial obligations to its members, creditors and ensure financial stability of the organization in the best interests of its members.

POLICY:

- a) All general funds not encumbered or spent by the end of the fiscal year (December 31) shall be considered to be surplus funds for the fiscal year. Upon their re-appropriation by the Board to NACOR for the next fiscal year, such surplus funds may be used for the following purposes:
 - To make any expenditure toward the purchase of a capital item;
 - To make any expenditure toward an approved and funded capital project;
 - To make any expenditure toward further staff recruitment and/or retention;
 - To fund items of a non-recurring nature that were included in a Board-Approved operating budget, but for which the approved budget did not include sufficient funding.
- b) An amount equal to (2) two years average operating expenses shall be held in reserve and deposited in an interest bearing 90 day term deposit account.

- c) The reserve amount of funds to be reviewed quarterly by the Finance and Audit Committee to ensure adequate return of interest and shall be reported to the NACOR Executive Committee by the Finance and Audit Committee.
- d) These funds shall be deposited in a GIC or Savings account as determined by NACOR Executive Committee and supervised by the Board of Directors.