



**Project**  
Management  
Institute®  
Newfoundland  
& Labrador

## **POLICIES AND PROCEDURES - FINANCE**

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## Document Review and Approvals

### Review / Revision Log

Date	Version	Description of Revision	Author
2020/10/13	Draftv01	<ul style="list-style-type: none"> <li>Create draft finance procedures/policies based on preliminary draft started in 2017</li> <li>Updates based on knowledge of NL processes and procedures</li> </ul>	Sue Constantine (Secretary)
2020/11/03	Draft02	Updated with feedback from Treasurer	Sue Constantine
2020/11/23	Draft v3	Added process for invoices to be forwarded to Treasurer	Sue Constantine

### Approval History

Doc Date	Title of Document	Date Approved	NOTES (e.g. date of board meeting when approved, electronic vote, etc.)
2020/12/03	POLICIES AND PROCEDURES - FINANCE		Approved during monthly meeting

## Acronyms and Glossary

The following table includes definitions for any unique symbols or notations that are used in the document.

Term	Definition
DOP	Director of Programs
DAL	Director at Large, professional development
DOT	Director of Technology
DOO	Director of Outreach
DOS	Director of Sponsorship
DOM	Director of Membership
PMI GOC	PMI Global Operations Centre
SAPR	
SAS	<a href="#">SAS master worksheet</a>
BSC	<a href="#">BSC planning worksheet</a>
SWOT	
DOC	Director of Communications and Public Relations

## Definitions

Term	Definition
Board of Directors (BOD)	Governing body of the PMI®NL that consists of elected officers and Directors.
PMI Global Operations Center (GOC)	PMI global service center (headquarters) located in Newtown Square, Pennsylvania, USA
PMI®NL Bylaws	Document required by PMI that shall embody general policy provision relating to the management and operation of PMI® NL.
PMI®NL Charter	Documented agreement between PMI (Global) and the PMI®NL that formally recognizes and charters the PMI®NL as an independent, affiliated organization and outlines the responsibilities of the and PMI to one another.
PMI Component	Umbrella term that refers to a local chapter or Communities of Practice (COP). Communities of Practice are knowledge-driven websites where members can engage through blogs, wikis, discussion boards, shared document areas and opinion polls

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# 1. INTRODUCTION

## 1.1 PURPOSE

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This Policy and Procedures (P&P) manual describes the policies for operation of Project Management Institute Newfoundland and Labrador Chapter (PMI®NL).

A **Policy** is a business rule, requirement or principle that governs or guides the operation of the PMI®NL Chapter.

A **Procedure** describes the processes, activities, steps and instructions used to execute responsibilities of a particular board member or the BOD overall. A procedure may or may not be directly related to how a policy is implemented or enforced.

Policies and procedures of the PMI®NL are subject to and may not conflict with the bylaws, policies, procedures, rules or directives established or authorized by PMI® or PMI®NL, as well as the charter agreement between PMI and PMI®NL.

New policies and/or procedures can be created when necessary to clarify a PMI®NL bylaw or explain how bylaws / policies should be implemented.

## 1.2 APPROVAL AND EXECUTION

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The President of PMI®NL will ensure that all policies and procedures are reviewed annually to ensure relevance.

Policies and procedures are required to be approved by a simple majority of the Board voting officers comprising a quorum, in the manner specified in **Article V- Board of Directors, Section 11** of the PMI®NL Bylaws, before they can take effect.

Upon Board approval, a new policy or procedure shall be included in the appropriate PMI®NL policies and procedures manual, posted on the PMI®NL Chapter website, and stored in the appropriate folder in PMI®NL's Google Drive. Any accompanying documents (forms, worksheets, templates) for each policy or procedure should also be posted to the website and stored on the Google drive.

Each board member is accountable to help ensure that policies and procedures are followed.

## 1.3 ROLES AND RESPONSIBILITIES

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While each board member is accountable to help ensure that policies and procedures are adhered to properly, certain positions hold the responsibility for initiating and guiding the execution of specific procedures. For a full list of the roles and responsibilities of each position, please refer to **PMI®NL Role and Responsibilities Guidelines**.

## 1.4 OTHER RELATED DOCUMENTS

Document Name	Description	Location
PMI®NL Policies and Procedures – <b>General</b>	Contains general policies and procedures related to standard business operations of the PMI®NL chapter	
PMI®NL Policies and Procedures – <b>Nominations and Elections</b>	Contains policies and procedures related to nominations and elections for officers and directors for the Board of Directors of the PMI®NL chapter	
PMI®NL Roles and Responsibilities Guidelines		
PMI®NL Bylaws	Contains all governing Bylaws of the NL chapter of PMI®.	
PMI®NL Charter	Documented that formally recognizes and charters the PMI®NL as an independent, affiliated organization and outlines the responsibilities of the and PMI to one another	



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## 2. POLICIES

### 2.1 ANNUAL BUDGET APPROVAL

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#### 2.1.1 Policy Statement

Directors for PMI®NL initiatives must have the annual budget approved by the PMI®NL Board officers before funds can be disbursed on behalf of any program or event in the applicable fiscal year.

Board approval for programs and events require a simple majority of the Board voting officers comprising a quorum in the manner specified in **Article V – Board of Directors, Section 14 of the PMI®NL Bylaws.**

#### 2.1.2 Background

The purpose of this policy is to:

- Help ensure the PMI®NL is responsible with its financial resources
- Provide board directors budgetary guidance for PMI®NL initiatives, and

This policy supports the requirement of **Article VIII – Finance, Section 3 of the PMI®NL Bylaws** for the Board to establish policies and procedures to govern the management of PMI®NL finances.

#### 2.1.3 Terms and Conditions

This policy and the procedures related to annual budget apply to all initiatives that take the form of *programs and events* that the PMI®NL has decided to undertake, as well as all known operating expenses.

#### 2.1.4 Other

Expenses which were not budgeted as part of the Annual Budget Approval process must seek approval via the ***Submit Expense Claim for Approval*** process before an expense can be reimbursed.

## 2.2 REIMBURSEMENT OF EXPENSES

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### 2.2.1 Policy Statement

PMI®NL will reimburse individuals for approved, reasonable, proper and necessary expenses incurred in conjunction with **approved** PMI®NL Chapter programs and events. PMI®NL will also reimburse for expenses paid out-of-pocket by a BOD member on behalf of PMI®NL for all **approved** PMI®NL operating expenses (e.g. monthly website fee).

### 2.2.2 Background

PMI®NL must provide reimbursement for out-of-pocket expenses incurred while conducting the formal and approved affairs of the Chapter.

It is the intent of the PMI®NL to compensate the volunteers of the Chapter fairly for their out-of-pocket expenses while exercising fiscal constraint with its financial resources. This supports the requirement of **Article VIII – Finance, Section 3 of the PMI®NL Bylaws** for the Board to establish policies and procedures to govern the management of PMI®NL finances.

### 2.2.3 Terms and Conditions

This policy applies to out-of-pocket expenses incurred by BOD volunteers while engaged in authorized (i.e. approved) work of the Chapter, subject to the related policies and procedures described within this document.

The financial liability of the PMI®NL to any volunteer who incurs out-of-pocket expenses while performing work for the Chapter is limited to:

- (a) Funds authorized by the appropriate Board officer or
- (b) Funds which have been properly budgeted and approved as part of the **Approve Annual Budget** process.

### 2.2.4 Non-Reimbursed Expenses

The following are expenses which will not be reimbursed unless the PMI®NL BO has approved an exception. Such exceptions should be made in advance of incurring the expense (when feasible). Failure to apply for approval for an exception in advance may lead to the expense being rejected for reimbursement. The typical expenses not eligible for reimbursement are as follows:

- Alcoholic beverages (except when the BOD has approved their purchase in advance. All such approvals must be noted in the BOD's meeting minutes)
- First class travel, Spouse travel
- Upgrades to car rentals or hotel rooms
- Purchase of clothing, luggage, toiletries and other miscellaneous personal items
- Supplemental travel or car rental insurance
- Fines, penalties or legal fees
- Long-distance hotel phone call fees, cell-phone roaming fees
- Personal entertainment or recreational expenses.

## **2.2.5 Travel Expenses**

It is PMI®NL's policy that all travel be conducted in the least expensive manner as possible. Receipts are required for all expenses greater than \$10.00. For expenses less than \$10, a maximum of 1 expense per day can be incurred without a receipt. Travel Expenses will be reimbursed up to a maximum of the approved **Per DIEM** rate of the Government of Newfoundland and Labrador as of the date the expense was incurred.

### **Mileage Reimbursement**

The Chapter will reimburse actual and necessary expenses. This includes mileage in a privately owned vehicle (POV) and related tolls and parking.

### **Parking and Tolls**

The Chapter will reimburse for parking and tolls (ferry) associated with long distance trips.

### **Air Travel**

PMI®NL will reimburse for airfares to approved destinations. Travelers should use the lowest airfares possible and will be reimbursed for special promotional tourism or economy fares as long as these fares do not exceed the lowest available coach fares. In cases where cancellation fees/penalties are incurred as result of a change of plans, the fees will be reimbursed if there is a valid business reason for the change of plans. Acceptable business reasons include the organization canceling or altering the trip, delays in flight connections. The explanation should be attached as documentation with the PMI®NL Expense Report Worksheet. In instances where these fees/penalties are incurred without adequate explanation, the cost of the fees/penalties will not be reimbursed.

### **Lodging**

Accommodations that meet business and personal needs and offer good value should be selected whenever possible. Travelers should use standard single room accommodations at medium range hotels whenever possible. Additional room upgrade costs (e.g. suite, executive floor, room with a view, etc.) are not reimbursable. Receipts for all lodging must be included to an expense claim. Travelers will only be reimbursed for actual lodging costs which are itemized and for which there is a receipt.

### **Hotel Surcharges**

Hotel Internet charges to access e-mail, conduct PMI®NL business, and other job-related duties while traveling will be reimbursed to a maximum of \$10.00 per day.

### **Meals**

Meal reimbursement includes breakfast, lunch and dinner (including tips). Alcoholic beverages, entertainment expenses and other types of personal expenses are not included. Per Diem for meals should not be applied when meals are provided as part of the event being attended.

### **Car Rentals**

Automobiles should be rented only when the cost advantages are clearly justified (i.e. the cost of the rental car would be less than using taxis, etc.). Travelers are expected to use the lower cost car rental firms and the smallest vehicle suitable to the number of people travelling from PMI®NL. All rental car receipts received by the traveler must be submitted with the PMI®NL Expense Report Worksheet.

### **Ground Transportation**

PMI\_NL will reimburse for ground transportation. It is recommended that taxicabs be used where possible since they are generally the lowest cost and preferred method of ground transportation.

#### **2.2.6 Other**

N/A

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## 3. PROCEDURES

### 3.1 APPROVE ANNUAL BUDGET

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<<insert high level description here>>

#### 3.1.1 Procedure Steps

Role	Timeline	Process

#### 3.1.2 Forms and Templates

<<insert name of budget workbook >>

#### 3.1.3 Budget Impacts

N/A

## 3.2 SUBMIT EXPENSE FOR APPROVAL

All expenses should be approved before being incurred.

In general, expenses incurred as part of an **approved program or event**, or known operating expenses are “pre-approved” as part of the **Approve Annual Budget** process and as not required to go through this process for approval.

Expenses which were not discussed as part of the strategic planning session and therefore not included in the Approve Annual Budget process **must go through this process**.

During the normal course of business, the President will be the lead for executing the process below. However, in some situations the responsibilities may have been delegated to the Vice-President.

### 3.2.1 Procedure Steps

Role	Timeline	Process
Board Member submitting expense request	As needed	<p>Complete PMI<sup>®</sup>NL Expense Claim Worksheet:</p> <ol style="list-style-type: none"> <li>Record name, mailing address and email address of the person submitting the claim for reimbursement</li> <li>Record purpose of expenditures (e.g. bought training material and reference the program, event, operating expense that was related to)</li> <li>Record the method of approval as “executive approval”</li> <li>Itemize expenses and show the date(s) they expect to be occurred</li> <li>Include a note that this form is being completed as a “pre-approval” request</li> <li>Sign and date Expense Request</li> </ol>
Board Member		<p>Email PMI<sup>®</sup>NL Expense Report Worksheet to the <b>President and copy the Vice President</b>. In cases where this responsibility has been delegated, this ensures the appropriate person receives the request.</p> <p>The subject line of the email should read:  <b>Expense Claim –YYYYMMDD - Approval Requested</b></p> <p>where <b>YYYYMMDD</b> is the date of the event/expense. This will enable folks to search through the email if necessary for the request and/or response.</p> <p>If there are multiple expenses expected for one event, all expenses for that event should be listed on one expense report for approval.</p>
President	Within 1 week of receipt of the expense request	<p>Upon receipt of the expense request, the President should review the request as well as the current budget to determine if the expense is reasonable and feasible.</p> <p>If the President is unsure about the budget available for discretionary spending, they should reach out to the Treasurer to discuss.</p>
President		<p>Reply ALL to the board member with the subject line</p> <p>The subject line of the email should read:  <b>Expense Claim – YYYYMMDD Approval XXXXXX</b></p>

		<p>where <b>XXXXXX</b> is either <b>GRANTED</b> or <b>DENIED</b>.</p> <p>The body of the email should contain the approval <b>GRANTED</b> or <b>DENIED</b>. Also, the body of the email may also include a brief description and/or some caveats (e.g. “approved to a maximum of \$50”, OR “denied due to lack of funds, please resubmit in January”).</p>
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### 3.2.2 Forms and Templates

- Expense Claim Worksheet ([insert link](#))

### 3.2.3 Budget Impacts

N/A

### 3.3 SUBMIT EXPENSE CLAIM FOR REIMBURSEMENT

When requesting reimbursement for expenses related to PMI®NL activities, the requesting party should make every effort to request reimbursement in a timely fashion.

Expenses should be substantiated with proof of payment (e.g. original receipt, paid invoice, etc.).

All expenses must be approved before being reimbursed. In general, expenses incurred as part of an approved program or event, or known operating expenses are “pre-approved” as part of the **Approve Annual Budget** process.

Expenses which were not discussed as part of the strategic planning session and therefore not included in the annual budget must go through the **Submit Expense Claim for Approval** process before being submitted for reimbursement.

Expenses will be reimbursed by way of cheque only (will not be reimbursed via e-transfer).

#### 3.3.1 Procedure Steps

Role	Timeline	Process
Board Member submitting expense claim	Within 30 days of incurring an expense	<p>Complete PMI®NL Expense Claim Worksheet:</p> <ul style="list-style-type: none"> <li>g) Record name, mailing address and email address of the person submitting the claim for reimbursement</li> <li>h) Record purpose of expenditures (e.g. Attended PMI Region 2 Meeting)</li> <li>i) Record the method of pre-approval <ul style="list-style-type: none"> <li>o approved as part of the annual budget; if the expense was approved as part of the annual budget, reference the related program, event, or operating expense from the <b>Approved Budget Worksheet</b></li> <li>o approved as per the “submit expense claim for approval” process, submit a copy of the email approval with the expense request</li> </ul> </li> <li>j) Itemize expenses by date in the categories shown on the Expense Report</li> <li>k) Sign and date Expense Report</li> <li>l) Scanned copies of the original receipts should be stored in the RECEIPTS folder in GOOGLE DOCS labeled YYMMDD NAME where YYMMDD is the date you are submitting your expense claim and NAME is the person submitting the claim</li> <li>m) and other required documentation to Expense Report</li> </ul> <p>The requester should retain a copy of the expense claim worksheet and all receipts before submitting to the TREASURER for reimbursement.</p>
Board Member		<p>Submit PMI®NL Expense Report Worksheet and Receipts to the Treasurer.</p> <p>Email is the preferred method of submission.</p>
Treasurer	2 weeks from receipt of Expense Claim Worksheet	<p><b>Complete Expense Claim Review process as follows:</b></p> <p><b>Expense Claim Worksheets</b> received should be stored in the Finance folder in GOOGLE DOCS. Expense claim should be reviewed as follows:</p> <ul style="list-style-type: none"> <li>a) Perform due diligence to ensure Expense Claim Worksheet and receipts are in order:</li> </ul>



		<ul style="list-style-type: none"> <li>a. Receipts should be stored in the folder labeled RECEIPTS/yymmdd NAME where yymmdd is the date this expense claim was filed and NAME is the name of the person submitting the expense claim</li> <li>b. verify total amounts in worksheet are totals correctly and match receipts;</li> <li>c. verify each expense recorded has been approved, including confirmation that the amount of the expense incurred does not exceed the approved amount.</li> <li>b) If there are questions / errors / challenges to the expenses, contact the requestor for clarification and/or correction.</li> <li>c) If clarifications / errors / issues are resolved, proceed with reimbursement.</li> <li>d) If issues/questions cannot be resolved, TREASURER must bring reimbursement request to the attention of the BOD for discussion at the next BOD monthly meeting.</li> </ul>
BOD	Next BOD monthly meeting	<p>Discussion any expense claims brought forth for discussion and vote for approval (if necessary).</p> <p>The decision of the BOD should be noted in the Expense Claim Worksheet documenting the decision, and details for the ruling.</p> <p>If the BOD does not approve the expense claim, the TREASURER should email the requestor with the decision and the reason.</p>
Treasurer		For disputed reimbursement requests, the Treasurer should email the requestor with the decision of the Board and the reason.
		<p><b>Issue check to reimburse for approved expenses as follows:</b></p> <ul style="list-style-type: none"> <li>a) Issue check from Chapter checking account and record expenses in appropriate Chart of Accounts</li> <li>b) Mail or distribute check to requestor</li> <li>c) Ensure Expense Claim Worksheet has been updated as follows: <ul style="list-style-type: none"> <li>○ Notes regarding approval information (e.g. as per budget pre-approval),</li> <li>○ Record the check number used to pay this claim</li> </ul> </li> </ul>

### 3.3.2 Forms and Templates

- Expense Claim Worksheet

### 3.3.3 Budget Impacts

N/A

### 3.4 ISSUE PAYMENT OF EXPENSE(S)

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Recurring operating expenses are expected to be paid by the Treasurer on a timely basis.

Invoices can be paid either by cheque, credit card, or e-transfer. Expenses can only be paid after proper approval has been obtained, and when contract is in place (if applicable).

Cheques are normally cut the middle and the end of the month. There can be special circumstances where a board member may request an expense claim to be processed as soon as it is received (e.g. dollar value is large and board member requires the reimbursement in order to pay the cost on their credit card).

The Treasurer is responsible to pay all invoices and operating expenses. If an invoice is received by another member of the board (e.g. director of programs receives an invoice for a room rented for an event) it should be forwarded immediately to the Treasurer who will process it as per the appropriate financial procedures.

If the Treasurer is not available and an expense payment is due, the president and one of the other signatories can sign the cheque to pay an **“approved”** expense.

#### 3.4.1 Procedure Steps

Role	Timeline	Process

#### 3.4.2 Forms and Templates

<<insert name of budget workbook >>

#### 3.4.3 Budget Impacts

N/A

### 3.5 FORWARD INVOICE TO TREASURER

The PMI®NL Treasurer is responsible to pay all regular invoices for standard business operations, as well as any approved expense claims.

If another board member receives an invoice from a vendor, it should be forwarded immediately to the Treasurer.

#### 3.5.1 Procedure Steps

Role	Timeline	Process
Board Member	ASAP	<p>Email treasurer to let them know that an invoice has been received. Discuss most efficient method to transfer the invoice (i.e. email, physical delivery, etc.)</p> <p>Forward invoice received from vendor to Treasurer as per the agreed-upon method.</p>
Treasurer		<p>Receive invoice from vendor (via the other board member).</p> <p>Contact the vendor to let them know the appropriate way to send an invoice.</p> <p>Electronic invoices should be sent to: <a href="mailto:treasurer@pminl.ca">treasurer@pminl.ca</a></p> <p>Physical invoice should be send to: <b>Attention: Treasurer</b> <b>P.O. Box 4021, Pearlgate PO</b> <b>Mount Pearl, NL</b> <b>A1N 0A1</b></p>

#### 3.5.2 Forms and Templates

<<insert name of budget workbook, or form for budget update request >>

#### 3.5.3 Budget Impacts

N/A