

Unit 5, 2611 37 Ave NE Calgary, AB T1Y 5V7  
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## Internal Controls Policy

### 1. Purpose

Kin-Dir Education Foundation maintains internal controls that ensure financial integrity, responsible stewardship of public funds, and compliance with Alberta Education and Child Care legislation, policies, and standards. These controls support transparency, accountability, and the safeguarding of organizational assets.

### 2. Segregation of Duties

Kin-Dir implements segregation of duties to reduce the risk of error, misuse of funds, or unauthorized transactions.

- No single employee has end-to-end control over a financial transaction.
- The Director of Finance & Administration oversees financial processes but does not process payments alone.
- The Bookkeeper (contractor) performs data entry and reconciliations; the Director reviews and approves.
- Payment approvals require two levels of authorization.
- Bank reconciliations are completed by the Bookkeeper and reviewed by the Director of Finance & Administration.
- The CEO provides oversight for all financial approvals above delegated thresholds.

These practices ensure that initiation, approval, and reconciliation functions remain separated.

### 3. Capital Assets

Kin-Dir maintains controls to safeguard capital assets and ensure accurate reporting.

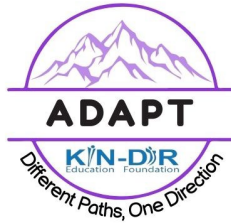
- A capital asset inventory is maintained and updated annually.
- Purchases of capital assets require prior approval from the Director of Finance & Administration and the CEO.
- Assets are tagged, tracked, and stored securely.
- Disposal or transfer of assets follows a documented approval process.
- Depreciation and asset valuation are recorded in accordance with accounting standards.

These controls ensure assets are used appropriately and remain available to support ECS programming.

### 4. Reimbursement of Expenses

Kin-Dir maintains clear procedures to ensure that expense reimbursements are reasonable, documented, and compliant with funding requirements.

- All expenses must be pre-approved by a supervisor or the Director of Finance & Administration.
- Original receipts or itemized invoices are required for reimbursement.
- Claims must be submitted within established timelines and include a clear description of the business purpose.



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- The Director of Finance & Administration reviews all claims; the CEO approves claims submitted by senior management.
- Personal expenses, alcohol, and non-program-related costs are not eligible for reimbursement.

These controls ensure public funds are used responsibly and in alignment with ECS program requirements.

## 5. Investments

Kin-Dir Education Foundation currently does not hold any investments. Should the organization consider investments in the future, all activity would follow a conservative, risk-averse approach that prioritizes capital preservation, liquidity, and compliance with Board-approved policies.

Any future investment activity would require:

- prior approval from the Board of Directors
- adherence to a Board-approved investment policy
- oversight and monitoring by the Director of Finance & Administration, with reporting to the CEO and Board
- strict controls ensuring no employee can independently initiate or alter investment transactions

By maintaining a clear governance framework—even in the absence of active investments—Kin-Dir ensures readiness, accountability, and responsible stewardship of public funds.

## 6. Oversight and Review

- The CEO provides organizational oversight to ensure internal controls are followed.
- The Board of Directors receives regular financial reports and approves key financial decisions.
- Internal controls are reviewed annually and updated as needed to maintain compliance with legislation, policy changes, and best practices.