



POLICY

POLICY NO:	313	APPROVAL DATE:	June 24, 2013
TITLE:	Expenditure Controls	REVISION DATE:	September 21, 2021
SECTION:	Finance	PAGE 1 OF 2	
DEPARTMENT:	Financial Services		

POLICY STATEMENT

Expenditures within each service area will be closely monitored to ensure the citizens of Grande Prairie are receiving approved services in a cost-effective manner.

REASON FOR POLICY

Financial results need to be monitored by all levels of the organization to ensure the City of Grande Prairie ("City") is funding services within the budgeted amounts approved by Council.

RELATED INFORMATION

Management of Departmental Budgets

The department manager is responsible for managing operating results and all capital projects within their area. Managers have the flexibility to incur expenses required to effectively deliver the service as long as they ensure total expenses incurred are within their total approved budget.

For capital project budgets; managers may transfer funds between approved capital projects, following the guidelines in [Procedure 313•1](#) Authorization Limits on Transferring Funds between capital projects. The Maximum Transfer Threshold for Administration that can be identified in [Procedure 313•1](#) is the lower of 20% of the original approved capital project or \$500,000.00

For capital projects that are receiving annual re-occurring funding allocations over at least a four-year time horizon, any surplus capital funds or deficits incurred in previous years are automatically transferred into the current year funding allocation regardless of monetary value.

To ensure transparency to Council, Administration will provide the carry forward amount of funding for each annual project as of September 30 at each years Budget Deliberations.

All City employees will adhere to the requirements of [Policy 310](#) - Procurement Policy when initiating purchases for goods and services on behalf of the City. All City employees who have authority to act as buyers of goods or services on behalf of the City must ensure that an expenditure may only be made if it has been included in the operating or capital budget.

Quarterly Reporting

The City's unaudited financial statements are prepared each quarter and presented to Council. As part of the quarterly report, explanations for significant variances from budget will be provided, as well as a forecasted surplus or deficit for year-end.

Year-End

At year-end, any net surplus or deficit will be transferred in accordance with the provisions of [Policy 346](#) - Reserve Funds, as directed by Council.

RESPONSIBILITIES

City Council will review and approve any revisions to this Policy.

City Manager will review and approve any procedures related to this Policy.

City Administration will carry out the policy based on established procedures.