**Nunavut Tunngavik Inc.**

# EXPENDITURE POLICY

*Approved by the Board of Directors in January 1997*
*Last Amended in January 2022**
*(*Approved to take effect on April 1, 2023)*

## I. PURPOSE

The purpose of this Policy is to ensure that all expenditures are properly authorized, procured, and accounted for at NTI.

## II. APPLICATION

This Policy is applicable to the Board of Directors, Executive Committee, Executive Members and all staff with authority over NTI's expenditures.

## III. SPENDING AUTHORITY

### 1. Authority and Delegation

All expenditures must be properly authorized in accordance with the level of authorization as set out in this Policy.

The authority to spend as established in NTI's By-Laws is as follows:

| | |
|---|---|
| Members | Over $6,000,000 |
| Board of Directors | $1,000,000 - $6,000,000 |

The authority to spend may be delegated by the Board of Directors to positions within NTI in a manner consistent with NTI's By-Laws and with due regard to the principles of accountability and efficiency.

Except as otherwise provided in Part IV of this Policy, the authority delegated by the Board of Directors is as follow:

| Position | Budgeted Expenditure |
|---|---|
| Executive Committee | up to $1,000,000 |
| Executive Members | up to $500,000 |

| | |
|---|---|
| Chief Executive Officer | up to $250,000 |
| Chief Operating/Administrative Officer | up to $200,000 |
| Departmental Director | up to $100,000 |

Except as specifically authorized by NTI policies, the authority for NTI Members, the Board of Director, the Executive Committee and the Executive Members are for approval only, and NTI Members including the Board of Directors, the President and Vice-President shall not procure goods or services on behalf of NTI or participate in procurement decisions. The Chief Executive Officer, Chief Operating Officer, Chief Administrative Officer, Departmental Directors and their delegates may procure goods or services within their respective spending authority in accordance with this and the Procurement Policy.

The spending authority may not be used in an accumulative or combined manner (e.g., two departmental directors may not act jointly to authorize an expenditure over $200,000).

A departmental director may, in writing, delegate all or part of his or her signing authority on a specific issue to an assistant or associate director.

For contributions that are covered by the Contribution Policy, the approval requirements in the Contribution Policy take precedence over the above spending authority.

### 2. Expenditures

Where individual expenditures form part of a larger overall commitment (e.g., leases), it is the total amount of money being committed that requires authorization.

Where a series of expenditures forms part of a larger overall total commitment (e.g., professional fees, accommodation, travel, facility rental, participant travel, per diems, accommodation and on-site translation related to a single event), it is the total commitment that requires authorization. The spending authority limits may not be circumvented by splitting expenditures into multiple procurements (e.g., dividing the development of a policy into multiple stages such as research, engagement, drafting, etc.), or spreading out the total commitment over two or more fiscal years.

### 3. Budgetary Control

Individuals shall not exercise spending authority unless money is available within their budget for the fiscal year(s) in which the expenditure occurs.

In no case shall spending authority be exercised so as to cause NTI to exceed its total approved annual budget.

## IV. FUNDING FROM GOVERNMENT FOR INUIT ORGANIZATIONS TO ADMINISTER

The spending authority provided in Part III of this Policy shall apply to funding that NTI receives from the government that is directly related to the implementation of the Nunavut Agreement and intended for NTI to administer, in collaboration with the Regional Inuit Associations (RIAs) where applicable (the “Nunavut Agreement Implementation Funding), an example of which is funding for a conservation areas Inuit Impact and Benefit Agreement.

Funding that NTI and RIAs receive from the government related to Inuit self-determination (the "Distinctions-Based Funding") and intended for NTI and the RIAs to jointly administer shall be administered on a case-by-case basis by the Chief Executive Officer, in consultation with the RIAs. The Chief Executive Officer may consult with the Board of Directors or the Executive Committee on (1) novel or politically sensitive issues, those with no clear criteria or precedents to follow, or those on which there is a disagreement from one or more RIAs, or (2) any stream of funding exceeding $5 Million in total. The Chief Executive Officer will also brief the Board, at regular Board meetings, on all funding decisions in this category. Nothing in this section shall prevent the Board of Directors or the Executive Committee from making policies, rules or processes or providing guidance on any stream of the Distinctions-Based Funding.

## V. PROCUREMENT

All expenditures shall be incurred in accordance with the Procurement Policy, where applicable.

All expenditures involving capital acquisitions, computers and long-term commitments (e.g., leases) over $5,000 shall be reviewed by the Chief Financial Officer prior to the commitment being made, in order to ensure that the financial terms and conditions are those most favorable to NTI.

All expenditures involving office or staff housing leases, service contracts, and agreements which commit NTI to expenditures over $5,000 or beyond one year shall be reviewed by the Legal Department in order to ensure that NTI's legal interests are protected, and by the Finance Department to ensure budgetary compliance and proper financial coding.

## VI. HOSPITALITY EXPENSES

Entertainment is not considered a regular part of NTI's business operations, but NTI recognizes the occasional need for entertainment or hospitality expenditures (e.g., visiting delegations).

Hospitality expenses may be incurred where it is necessary for NTI Executive members or senior staff to extend hospitality to show courtesy on behalf of NTI or to facilitate NTI business.

Provision of hospitality shall be limited to significant public or internal NTI events such as conferences, dedications, ceremonies, commemorations, negotiations and other work-related events in which it is appropriate and desirable to extend hospitality to participants and the provision of hospitality clearly facilitates NTI business purposes.

Paid entertainment (e.g. tickets for concerts or sport events) or gifts shall not be provided unless at events involving special visitors (e.g. the Prime Minister).

If it is appropriate and desirable to provide gifts in the above events, the monetary value of gifts to each visiting organization or visitor shall not exceed $500, unless the gifts are qualified and approved as contributions in accordance with NTI's Contribution Policy or specifically approved by the Executive Committee.

The provision of hospitality (including gifts) by NTI to NTI employees is not allowed except in the following situations:

- For events such as retirement, long service awards or occasional employee appreciation days. If it is appropriate and desirable to provide gifts, the monetary value of gifts to each employee shall not exceed $500;

- Meals may be provided to staff when it is practical and economical to require staff to work through mealtimes; or
- Refreshments (non-alcoholic beverages, snacks, etc.) may be provided to staff whenthe work is performed outside the normal work location or working hours.

The expenditures of all hospitality expenses require advance approval of at least one of the following persons within that person's spending authority: an Executive member, Chief Executive Officer, Chief Operating Officer or Chief Administrative Officer.

Entertainment expenses shall only be incurred in accordance with generally accepted accounting principles and all applicable laws.

## VII. REPORTING OF CONSULTANTS' EXPENSES

The Chief Financial Officer shall report to the Board of Directors, on an annual basis, NTI's expenditures on external consultants for the previous fiscal year. The report should include the names of consultants who received payments from NTI exceeding $50,000 in the previous fiscal year, the files they worked on and the sources of funding (i.e., NTI or third-party funding).

## VIII. GUIDELINES

The Chief Executive Officer may make guidelines to implement this Policy.

## IX. REVIEW

The Policy shall be reviewed every five (5) years. Nothing in this section shall prevent the Chief Executive Officer from reviewing the Policy on a more frequent basis.