

# **516 Revenue and Receivables**

## **Belief**

The Maskwacis Education Schools Commission (MESC) follows cultural and traditional teachings of the Maskwacis Cree, in particular Wahkohtowin. Wahkohtowin is the belief that all things are related and connected, that all of existence has spirit and that living in a good way requires us to maintain good relationships with each other and other aspects of existence. We recognize that respect for mother earth, elders, youth, and the Treaties are paramount to planning ahead and making decisions for future generations.

The MESC believes that effective management of revenue and accounts receivable allows MESC to have greater control over their cash flow and liquidity. The purpose of this policy is to ensure:

- Consistent use and compliance with revenue procedures and rules;
- Accurate and timely recording of revenue;
- Appropriate collection and safeguarding of cash; and
- Compliance with funding agency regulations, restrictions, and reporting requirements.

## **Procedures**

### **Revenue**

1. The Associate Superintendent of Business Services shall be responsible to determine the timing for recording of all revenues for the MESC. Revenue should be recognized at the time it is received.
2. Revenue from the following must be recorded weekly:
  - 2.1. Cash
  - 2.2. Cheques
3. Invoices will be used to bill for services or goods provided to outside agencies. Revenue generated through the issuance of the MESC's invoices is recognized at the time of the transaction.
4. Revenue generated through funding agreements is recognized in the year in which the related expenses are incurred.

5. Interest income on overdue accounts is recognized in the month in which it has been earned.
6. If funding revenue is received in advance of providing the services / goods, it will be accounted for as deferred revenue until the period in which the services / goods are provided by MESC and to which the amount can be matched. At that time, the deferred revenue entry is recognized as revenue.

### **Deposits**

7. The Associate Superintendent of Business Services or designate, on behalf of the Commission will bank all monies received at a chartered bank or credit union approved by the Board.
8. Upon receipt, all monies, whether in cash or cheque, shall be deposited as soon as possible into the appropriate designated account.

### **Accounts Receivable**

9. The Associate Superintendent of Business Services or their designate will prepare and issue the MESC's invoices for goods and services provided to outside agencies.
10. The Associate Superintendent of Business Services is required to keep an up to date record of all accounts receivable for the Commission and its main activities and ensure they are appropriately valued.

### **Funding Agreements**

11. The Superintendent is responsible for overseeing the negotiation of terms and conditions of funding arrangements with funding agencies.
12. Many funding agencies require specified reporting requirements to be met prior to releasing revenue / funding to the MESC. The Principals, Associate Superintendents and other Site Leaders are responsible for each main activity and are required to prepare reports to their respective funding agencies in accordance with the requirements and timelines outlined in their funding agency agreements.
13. The Superintendent shall be responsible for reviewing the required reports prior to their submission to ensure they meet funding agencies' requirements and are submitted on time.

### **Delinquent Accounts**

14. If an account is found to be outstanding for longer than 90 days, the Associate Superintendent of Business Services or designate must send a letter to the debtor requesting immediate payment.
15. Should the account remain uncollected for longer than 120 days, and the chances for collection are not positive, the Associate Superintendent of Business Services shall:
  - 15.1. For accounts up to five thousand dollars (\$5,000), bring the matter to the attention of the Superintendent who has the authority to declare the account delinquent and approved for write off.
  - 15.2. For accounts in excess of five thousand dollars (\$5,000), advise the Board in a quarterly variance analysis and seek approval to declare the account delinquent and approved for write off.

## **References**

MESC Board of Governors Policy; EL-4