



## **FINANCE POLICY**

### **OVERVIEW**

This policy of financial management is to ensure that the operation of all activities fulfills the organization's mission in the most effective and efficient manner possible, and to remain accountable to members and stakeholders, including partners, funders, employees, and the community. In order to accomplish this The Association commits to providing accurate and complete financial data for internal and external use by the President and the Board of Directors.

### **PURPOSE**

To establish financial policies that clarify the roles, authority, and responsibilities for essential financial management activities and decisions, and to provide ongoing planning, direction, and oversight of the Association's finances to the Board and membership in order to ensure the Association will remain financially healthy over the long-term.

### **SCOPE**

This policy involves the Treasurer, the Finance Committee, the Board of Directors, and the Membership. Generally, it is focussed around the Annual Budget and both the short- and long-term strategic plans. Changes to this policy require recommendation from Board to General meeting and approval by special resolution.

### **RESPONSIBILITY**

The Board of Directors is ultimately responsible for the financial management of all activities. (Article 5, Section 3). The Treasurer is authorized to act on the Board's behalf on financial matters when action is required in advance of a meeting of the Board of Directors.

- The Treasurer is responsible for the day-to-day financial management of the organization. The Board authorizes the Treasurer to pay bills, receive funds, and maintain bank accounts.
- The Association shall have up to five authorized signing authorities and all cheques require two signatures. Cheques must not be signed by the recipient or a person related to the signer.
- Senior Managers are authorized to enter into contracts for activities that have been approved by the Board and Membership as a part of budgets (Article 9. 10 & 9. 11)
- The General Membership must authorize any contracts outside of these parameters.
- The Treasurer is authorized to manage expenses within the parameters of the overall approved budget, reporting to the Finance Committee on variances and the reason for these variances.
- The Membership must approve by special resolution any use of a designated cash reserve fund.



**The Treasurer shall:**

- Account for any donor restricted or other designated funds separately from general operating funds, and clearly define the restrictions applicable to these funds.
- Report the financial results of operations according to the schedule established by the Finance Committee, but at least quarterly.
- Pay all obligations and file required reports in a timely manner.
- Make no contractual commitment for bank loans or for real estate leases or purchases without special resolution approval of the Membership.
- Recommend to the Board investment policies for designated funds and implement its decisions.
- Record fixed assets with purchase prices greater than \$500 as capital assets in accounting records.
- Depreciation of capital assets will not exceed five years for furniture and equipment or three years for computer and other technology equipment.
- Limit vendor credit accounts to prudent and necessary levels.
- Record competitive bids for items or services costing in excess of \$1,000 per unit. Selection will be based on cost, service, and other elements of the contract. (Article 9.10 & 9.11) Contracts may be awarded to any provider – it is not required to accept the lowest cost proposal.

**The Board of Directors shall:**

- Review financial reports at each board meeting.
- Provide adequate training to members to enable each member to fulfill his or her financial oversight role.

**Financial Transactions with Insiders**

No advances of funds to employees, officers, or directors are authorized. Direct and necessary expenses including travel for meetings and other activities related to carrying out responsibilities shall be reimbursed. In no case shall Association borrow funds from any employee, officer, or director of the organization without specific authorization from the Membership.



## Budget

In order to ensure that planned activities minimize the risk of financial jeopardy and are consistent with board-approved priorities, long-range organization goals, and specific five-year objectives, the Finance Committee shall

- Submit operating and capital budgets to the Board in time for reasonable approval by the Board and the Membership prior to each fiscal year.
- Use responsible assumptions and projections as background, with the general goal of a balanced budget, with any surplus designated as unrestricted or designated for a specific restricted fund.

## Gift Acceptance

The Association may accept stock or other negotiable instruments as a vehicle for donors to transfer assets to the Association. Transfer and recording the value of the asset shall be done in a consistent manner and in compliance with accounting standards. The Board of Directors shall authorize the sale of any stock or negotiable instrument given to the Association immediately upon receipt by the Association.

Donation of contributions of cash, goods, or services that are related to the programs and operations of the Association may be accepted, however contributions of non-cash items must be reviewed and approved by the Finance Committee before acceptance and reported to the Board of Directors. Cash donations must be reported to the Board by Senior Managers and/or the Treasurer. (See 'Donation Policy')

## Asset Protection

In order to ensure that the assets of the Association are adequately protected and maintained, the Treasurer and Finance committee shall:

- Insure against theft and casualty losses to the organization and against liability losses to Board members, staff, or the organization itself to levels indicated in consultation with suitable professional resources.
- In consultation with Property Committee plan and carry out suitable protection and maintenance of property, building, and equipment.
- Avoid actions that would expose the organization, its board, or its staff to claims of liability.
- Protect intellectual property, information, and files from unauthorized access, tampering, loss, or significant damage.
- Receive, process, and disburse funds under controls that are sufficient to maintain basic segregation of duties to protect bank accounts, income receipts, and payments.



## **Courtenay and District Fish and Game Protective Association**

Association file #

- As the buildings, improvements, and land owned by the Association as of January 1, 2019 (being those Parts of Sections 28, 32, and 33, Township 10, Comox District Plan 522H and 788RW) are the principal assets of the Association, these lands and assets of the Association are protected and excluded from being utilized as security of any kind for any loans, mortgages, or other indebtedness. This does not preclude the Association, should it so decide, to mortgage the title of any additional lands that it may acquire in the future. Further to Article 8 of the bylaws this clause may only be amended by special resolution of the general membership.

### **PROCEDURES**

Any expenditure of funds not specifically contained in the approved Annual Budget must adhere to the following approvals:

Under \$1,000.00 – Finance committee

Under \$2,000.00 – Finance Committee and Board

\$2,000.00 or more must be submitted in writing to the Finance Committee 30 days prior to the next Board meeting, and contain all relevant information. Upon recommendation by the Board, such expenditure must be approved by the General membership.

Emergency non budgeted expenditures (as determined by the Board) must be approved by the Board.

### **REFERENCES**

Presley and Partners Assurance Engagement Report August 27, 2018 - Summary of Recommendations

Donation Policy

### **Association Bylaws:**

Article 5, Section 3

Article 5, Sections 6.6 & 6.7

Article 8

Articles 9.10 & 9.11