

Financial Practices Policy Paper

1.0 Accounting method to be used to report Income and Expenses for Nanaimo and Area Branch (BC05) is the Accrual method. The financial year of the Branch will be the calendar year. All Officers of the Branch have fiduciary responsibility.

2.0 The Branch will form a “Financial Review Committee” each year as required by Association and Branch bylaws.

3.0 The Branch may form a Finance Committee chaired by the Vice President to assist the Treasurer. This committee would consist of the Vice President, Treasurer and a person from the general membership. A responsibility of any Finance Committee is to develop a 5 year plan and update this plan yearly. The Finance Committee should make recommendations to the Branch Executive on Financial matters and required policy changes. The Branch President is an ex-officio member of this committee.

3.0 Spending for unbudgeted items shall be dealt with on an individual basis by the Branch Executive and then brought to the Membership for ratification. The Branch President shall put each item on the Agenda for discussion and a decision.

4.0 The Branch will permit the usage of personal home computers, when needed, in lieu of buying a Branch owned computer. The individual must submit a “request” to the President for approval including costs. After “request” approval by the President, it shall be presented to the Branch Executive for ratification. Ratified requests should be reported at a Branch GM or AGM. The individual will be reimbursed once approved by the Branch Executive. Requests for approval should be filed semi-annually.

5.0 Valid reasons for personal computer usage include Internet, E-mail, document preparation, membership data storage and financial record keeping requirements. Other reasons can be valid and dealt with on an individual request basis.

6.0 Routine claims for supplies, travel, printing, meeting expenses etc. must be approved by the President before being paid by the Treasurer. The Treasurer, being the keeper of the funds, should be one of the signers on the cheques. Exceptions are permitted when a cheque is made payable to the Treasurer for an expense or when the Treasurer is unavailable to sign.

6.1 Receipts for money to be deposited into the bank should be completed by the Branch Treasurer. All deposits shall be posted in the General Ledger by the Treasurer.

7.0 The Annual review of Branch finances shall be conducted by the Financial Review Committee with Individuals having knowledge of Generally Accepted Accounting Principles. While an Accounting Certification may be preferable, individuals without certification may also do the review.

7.1 The Branch Executive may authorize payment for these services, give a gratuity or look for qualified Volunteers.

7.2 Request for qualified people to do the year-end Financial Review should be made at the AGM. It needs to be pointed out at the meeting that the Volunteers need to have knowledge of Generally Accepted Accounting Principles or some Accounting Certification.

7.3 The Financial Review Committee should be composed of an Auditor or Branch members with knowledge of Generally Accepted Accounting Principles. The Treasurer is an ex-officio member who has the responsibility to answer committee questions and to provide information to the committee. Members of the Branch Executive cannot serve on the Financial Review Committee.

8.0 The process to be followed for the year-end financial reporting by the Branch will be as follows:

- a. Treasurer to prepare the necessary reports requested by National Office
- b. Treasurer to make available the Branch books for review
- c. Review Committee to scrutinize and review the Branch Finances
- d. Review Committee to make recommendations based on their findings
- e. A Report to be presented to the Branch Executive
- f. The Report to be presented to the Branch Annual General Meeting.

8.1 The procedure to be followed at the Branch Executive meeting and AGM shall be as follows. The Treasurer presents the Financial Report and answers questions after which the Financial Review Committee gives their report and answers questions. The Branch Financials will now be accepted as presented or accepted with recommendations. A copy of this report shall be sent to the Association's National Office in Ottawa.

9.0 Between Branch Executive Meetings, financial decisions may be approved by the President up to a value of \$100.00. Any amount greater than \$100.00 and not a line item in the approved budget must be approved or rejected by majority vote of the Executive Committee at the next meeting.

10.0 All temporary floats issued by the Treasurer to Branch Executive members shall be returned to the Treasurer by December 31 of the year in question. New floats will be issued the following Financial year where needed. The membership Director will

be allowed to maintain a permanent float of \$100 for his/her use. This float will be shown as a line item in the Financial Records.

11.0 The Treasurer, coordinating with the Director of Programs, shall receive social funds from a list of members who fail to honour their luncheon reservation as described in Appendix 6.