



Policy Name FINANCIAL POLICIES AND PROCEDURES		Date of Approval October 13, 2017	Activation Date October 13, 2017
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1.0 CRITICAL FINANCIAL DATES

1.1 *Fiscal Year*

The Gymnastics BC fiscal year is July 1 to June 30.

1.2 *Membership Year*

The Gymnastics BC membership year is September 1 to August 31.

2.0 FINANCIAL MANAGEMENT AND ACCOUNTABILITY

2.1 *Signing Authority for Payments*

2.1.1 Signing Officers

The financial Signing Officers are:

- a. The President
- b. The Director of Finance
- c. The Chief Executive Officer
- d. The Member Services Manager

Two signatures are required on each cheque.

2.1.2 Limitation on Signing Authority Levels

At least one Director shall be a signing officer on any cheque that exceeds \$5,000 or on any cheque written to either the CEO or Member Services Manager.

If a Director cannot be available within a reasonable time frame to sign a cheque that exceeds \$5,000, the policy is considered to be applied when written authorization by email or in writing is received from one Director signing officer after he/she has reviewed the payment requisition information and all backup material for any payment exceeding \$5,000. In such an instance, after written authorization has been received, the Chief Executive Officer and Member Services Manager can sign the cheque. Written authorization from the Director signing officer must be attached to the payment material, and forms part of the payment records.



2.1.3 Authority for Direct Payments

2.1.3.1 Single Electronic Payments

The association may be requested or required by suppliers to transfer payments electronically. The approval process is the same as for any other payment, with the exception that approval is for an electronic transfer and not a cheque. Appropriate signing officers, based on the amount of the payment, will provide specific authorization for the payment by email or in writing.

2.1.3.2 Repeating Electronic Payments

If direct electronic payments are used for repetitive payments such as rent or payroll, the signing officers must record in writing their authorization with a monthly payment limit. A monthly reconciliation of such payments is reviewed by the Chief Executive Officer and quarterly by the Director of Finance. The authorization for repeating payments can last no longer than to the end of the fiscal year, at which time another authorization must be generated.

2.1.4 Payment of Association Credit Cards

Payment of association credit card bills requires that original documentation for each transaction be attached to the cheque requisition. Association signing authority limits and procedures apply. *(also Policy 8 Organization Credit Cards)*

2.2 Signing Authority for Execution of Instruments

Bylaw 15.2 provides direction for the execution of instruments on behalf of the association. The Board may authorize the Chief Executive Officer to sign viaSport Contribution Agreements, granting agreements, applications to procure grants and other specific documents on behalf of the association. The Director of Finance will receive a copy of all such signed agreements, applications or documents.

2.3 Principles of Internal Controls

The underlying premise of Gymnastics BC's financial controls is that there is a segregation of duties between critical aspects of financial controls. No single person is responsible for all aspects of any financial transaction.

In principle:

- a. The individual who authorizes a transaction will not be the person responsible for recording that transaction in the accounting records; and
- b. The individual who approves payment of an invoice or expense claim may be one of two signing officers who sign the applicable cheque; but
- c. Two signing officers must sign each cheque, with approved paperwork attached or available to both signing offers, and



2.4 Financial Management Responsibilities

2.4.1 Chief Executive Officer

The Chief Executive Officer has day-to-day accountability for all financial transactions by the association, including oversight of staff, adherence to approved association budgets and ensuring compliance with all financial policies and procedures.

2.4.2 Director of Finance

The Director of Finance has day-to-day oversight responsibilities for the financial transactions of the association and reports the financial position to the Board of Directors, and on behalf of the Board to the membership.

2.4.3 Accountant

The part-time Accountant is responsible to the Chief Executive Officer for day-to-day management of accounts, including tracking cash flow, ensuring that all documentation is received and properly recorded, posting to accounts, listing of cheques and other payments, receivable and payable listings, coordinating bank deposits, reconciliations and other financial management responsibilities.

2.4.4 Other Association Staff

As described in their Contract of Employment and/or job descriptions, programming staff may be accountable for day-to-day management of the finances of their programs, and must ensure that all financial policies and procedures are adhered to and approved budgets followed.

2.5 Financial Accountability

Financial accountability to the membership is the collective responsibility of the Board of Directors.

2.6 Financial Statements

Financial Statements consist of Balance sheet, Income statement, Receivable and Payable listings, a trial balance, prepaid expenses and deferred revenue reports.

2.6.1 Monthly Statements

Monthly financial statements are reconciled and reviewed by the Chief Executive Officer.



2.6.2 Quarterly Statements

Detailed quarterly financial statements are reviewed first by the Chief Executive Officer and then by the Director of Finance. After any necessary revisions or adjustments are made, the statements are reviewed by the Finance Committee.

2.6.3 Reporting at Board of Directors' Meetings

After review by the Finance Committee, a quarterly financial report is presented to Directors by the Director of Finance at the quarterly Board of Directors meeting.

2.6.4 Tracking Variance of Actual Activity against Budget

Each set of financial statements includes a variance by major line items between approved budget and the actual revenue received or expenses processed to date.

2.6.5 Chart of Accounts

The Chart of Accounts is reviewed annually by the Chief Executive Officer and the Accountant, and revised as necessary to accommodate programs, services and operational activity.

2.7 Receivables and Payables

2.7.1 Receivables

- a. Invoices are issued for all receivables and are payable in accordance with the terms stated on the invoice.
- b. Programming and operations staff have responsibility to generate invoices applicable to their own programs directly through the SAGE accounting software.
- c. Accounts receivables are reviewed weekly by the Accountant and monthly by the Chief Executive Officer. Overdue accounts are reported to the applicable staff member for follow-up.

2.7.2 Member Fees

Member Fees are also referenced in Policy 5 Membership Fees and the *Fee Payment Policy*.

- a. Full Member Club membership fees are due within 30 days of the invoice date.
- b. Individual Recreation or Competitive, and Zone Fees are due within 30 days of the invoice date.

2.7.3 Overdue accounts

- a. Over-due membership fee accounts are charged 1.5% interest per month.



- b. Other than noted in 2.7.3.1, over-due accounts are dealt with on a case by case basis, and may be charged interest or forwarded for collection if warranted. Such a decision is made by the Chief Executive Officer.

2.7.4 Online Registration

Online registration for courses or other activities requires payment at the time of registration. A weekly internal report is produced for all online payments and reconciled with program activity.

2.7.5 Payables

- a. Vendor or customer requests for payment are processed through the program or service coordinator, who submits a cheque requisition with attached payment invoice to the Accountant. The Chief Executive Officer reviews all payments for approval.
- b. Expense claims from volunteers or staff are submitted in accordance with Policy 7, and reviewed by the Chief Executive Officer for approval.
- c. The Judging Coordinator initiates processing of honoraria payments for judges and the Coaching Coordinator for payment to Coach Developers. These are reviewed by the Technical Director and the Chief Executive Officer for approval.
- d. The association maintains a restricted account for each Zone into which Zones fees are paid. From time to time, the Zone will request that the association make a payment from the Zone account. All internal controls and approval steps are applied, and accounts are reconciled on a regular basis.
- e. Gymnastics BC requires an original receipt or a printed copy of the original receipt for all claims and vendor invoices.

2.8 Records Management

In accordance with the requirements of Canada Revenue Agency, all financial records are kept for seven years. Three years of records are retained on-site at the Gymnastics BC office, and four years in a secured storage facility.

Audited financial statements are retained for the full history of the association.

2.9 Reporting and Payments to Provincial and Federal Authorities

Gymnastics BC complies with reporting and payment requirements of all provincial and federal agencies as required by law and the association's business transactions. Reporting includes but is not necessarily limited to employee taxes, Employment Insurance, Canada Pension Plan, WorkSafeBC, Goods and Services Tax, Provincial Sales Tax, donations or any other requirement.



2.10 Financial Transparency

2.10.1 Membership Access to Records

Members have access to the financial and accounting records of the association with reasonable notice and in accordance with Bylaw 18.3.

2.10.2 Staff and Committee Review

Staff members with financial responsibilities for their programs or services have access to financial records, and will provide appropriate information to their programming committees regarding financial activity.

3.0 ANNUAL BUDGET

3.1 The Annual Budget

3.1.1 Development and Approval

Development and approval of the annual budget is undertaken between February and May each year, for the following fiscal year:

- a. Program Coordinators develop their draft program budget requests by February 28th for submission to the Chief Executive Officer;
- b. the Chief Executive Officer consolidates the program draft requests, adds operational, staffing and other sundry items to the draft budget, and revises as necessary by March 31st for presentation to the Finance Committee;
- c. the Director of Finance and Finance Committee review the draft budget in April and revise as necessary for presentation to the Board;
- d. the Director of Finance and Chief Executive Officer present the draft budget to the Board of Directors for review and revision as necessary. Budget approval is normally completed by the end of May.

3.1.2 Transparency of the Annual Budget

The summary operational budget is presented for information to the membership at the Annual General Meeting in November each year.

4.0 FINANCIAL AUDIT

4.1 Auditor

Appointment of the Auditor is conducted each year at the Annual General Meeting each year in accordance with association Bylaw 16.6.



Removal of the Auditor or appointment to fill a vacancy in the Auditor position are conducted in accordance with the Bylaws 16.7 and 16.8.

4.2 The Audit

4.2.1 Audit Preparation and Oversight

Preparation for the audit is managed by the association accountant, and supervised by the Chief Executive Officer. The Audit is done during August each year.

The Audit Management Letter is reviewed and signed by both the Chief Executive Officer and the Director of Finance. The Accountant and Chief Executive Officer review the auditor's findings and respond to the Auditor's recommendations, which is also copied to the Director of Finance.

4.2.2 Presentation of the Audit

The completed Audit is presented to the Board of Directors for discussion and approval, with two Directors signing the approved document.

The approved Audit is presented at the Annual General Meeting for review by the members.

4.2.3 Audit Transparency

After the Annual General Meeting, the approved Audit is posted on the association website.

5.0 MEMBERSHIP FEES

5.1 Setting Membership Fees

Membership fees are established in accordance with Bylaw 3.3, by Ordinary Resolution at a General Meeting. If an Ordinary Resolution is not presented and approved, the fee levels from the previous year are not altered.

5.2 Publicizing Membership Fees

Membership fee levels are posted in the association website, on membership forms and other pertinent membership documentation.

When a change in membership fees is approved at a general meeting, that information is communicated to the membership and posted on the website within 2 weeks of the meeting.



5.3 Collection of Membership Fees

- a. The membership year is September 1st to August 31st, and membership fees are collected at any time during that period. Members must be in good standing to participate in and benefit from programs, activities and services.
- b. Membership fees are not pro-rated.
- c. Membership fees are not reimbursed. Specific programs such as technical courses, camps, competitions or provincial team programs have their own reimbursement policies.

6.0 PURCHASING

6.1 Approved Service Providers and Suppliers

6.1.1 Requests for Proposals

The association does not require that "Requests for Proposals" from suppliers or contractors be reviewed prior to engaging their services, but may choose to use such a process if the size, scope and complexity of a particular project or program warrants it.

6.1.2 Approved Suppliers

Gymnastics BC has developed relationships with various suppliers through past transactions. To develop and maintain a commitment to continue to use a specific supplier on an on-going basis, a Supplier Contract should be executed, outlining all terms, benefits, timelines and expectations for both parties.

6.2 Initiation of Purchases or Commitment to Purchase

6.2.1 Purchasing Authorization Levels within the Approved Budget

The CEO has the direction and authority for approval of purchases or commitments to purchase for the business of the association within the parameters of the annually approved budget.

6.2.2 Emergency Purchasing Authorization

Emergency purchases (not in the approved budget) that would knowingly cause a budget over-run of up to \$5,000 can be approved by the Chief Executive Officer in consultation with the Director of Finance. Emergency purchases that would knowingly cause a budget over-run greater than \$5,000 must be pre-approved by the Board Chair and Director of Finance in writing.

Emergency purchases should be reported at the next meeting of the Finance Committee and Board of Directors.



6.2.3 General Purchasing

General office supplies are purchased using a business account at Staples, and authorized and approved in accordance with credit card transaction procedures.

Purchases for programs can be initiated by technical and administrative staff in accordance with their approved program budgets and individual authorization limits.

6.2.2 Capital Purchases

Capital purchases must be approved by the Chief Executive Officer prior to ordering. (eg: computer equipment or software, furniture, depreciable technical equipment)

6.2.3 Team BC Uniforms

The Volunteer Team BC Uniform Coordinator is responsible for negotiating supplier contracts for uniforms. Prior to final agreement, the terms and product must be reviewed and approved by the Technical Director for all disciplines.

7.0 REIMBURSEMENT OF EXPENSES INCURRED ON BEHALF OF THE ASSOCIATION

7.1 *Claiming Expenses*

7.1.1 Submission of Claims

Claimants must use the approved Gymnastics BC Expense Claim Form and submit their expense claims within 30 days of the activity, with attached receipts, to the appropriate Program Coordinator for initial approval or by the staff member to the Accountant. Claims received after 75 days may not be considered for reimbursement.

7.1.2 Approval of Expense Claims

All expense claims must be approved by the Chief Executive Officer prior to payment.

7.2 *Travel*

Volunteers and staff are expected to travel by the most cost effective and expedient means available when attending events, meetings or other activities on behalf of the association

7.2.1 Travel by Car

Volunteers and staff are encouraged where possible to car-pool to events or meetings:



- a. the driver or car owner (only one) will be reimbursed for travel in excess of 35 km one way. (70 km round trip) at a rate of \$.52 / km. The departure point and arrival point must be reported on the expense claim form;
- b. from time to time, Gymnastics BC will establish and publish a "distance threshold" at which point the less expensive of economy airfare or mileage reimbursement can be claimed by the driver or car owner (one only);
- c. travelers will be advised of the most appropriate parking options when attending events, meetings or activities on behalf of the association. Parking costs will be reimbursed;
- d. the association is not responsible for payment or reimbursement of traffic tickets or parking tickets given to a volunteer or staff member while on Gymnastics BC business;
- e. vehicle repairs due to accidents, mechanical break-down, or damage due to attempted or actual break-ins that occur while a volunteer or staff member is on association business is the responsibility of the volunteer or staff member. Any relief must be first sought through the individual's own insurance. Gymnastics BC may provide assistance after that point but solely at its own discretion.

7.2.2 Travel by Air

Volunteers and staff are expected to travel by economy airfare when necessitated by distance and/ or time factors.

- a. teams or groups travelling on behalf of GBC will book their travel directly through the appropriate GBC Full Member club or the GBC Travel Agent, to be determined on an event by event basis.
- b. travel by individuals may be booked by the Gymnastics BC office through the association travel agent, or, with specific permission, may be booked directly by the traveler, in which case reimbursement to a pre-approved level will be available through an expenses claim. Travel costs may be pre-approved by the Program Coordinator within approved budget levels, or by the Chief Executive Officer, based on authorization levels and processes.

7.2.3 Travel by Bus or Ferry

- a. Group travel by bus or ferry may qualify for group discounts available through various sport discount programs. Program coordinators or meeting planners should advise groups if such programs are available and make arrangements for the necessary documentation to source the discounts. Travel receipts must be submitted.
- b. Individual travel by bus or on the ferry can be claimed and will be reimbursed with attached receipts.



7.3 Meals

7.3.1 Daily Rate for Meal Reimbursement

Meals paid for by the claimant while on association business will be reimbursed at the rate of \$50 / day. A full day is considered to be attendance at a meeting or activity or travelling between 7:00 am to 7:00 pm for the claimant.

7.3.2 Partial Day Reimbursement for Meals

Meals for partial days will be reimbursed at the following rates:

- a. Breakfast (for activities requiring travel to commence before 7:00 am and ending by 12:00 pm) – rate of \$12
- b. Lunch (for activities starting after 11:00 am and concluding after 1:00 pm) – rate of \$13
- c. Dinner (for travel from activities or attendance at activities concluding after 6:30 pm) – rate of \$25

7.3.3 Hosted or Pre-Paid Meals

If a meal is provided by an event or meeting host or as part of a registration fee or paid for by another individual during the course of the meeting or activity, additional reimbursement from GBC cannot be requested.

Claims will only be paid for specific meals for which the claimant has directly paid. (eg: lunch and dinner are provided by the host of a meeting but delegates are on their own for breakfast. Therefore, the allowable GBC amount for breakfast as noted in 7.3.2 can be claimed.)

7.3.4 Receipts Not Required for Reimbursement of Meals

The claimant does not have to submit actual payment receipts for meal claims that do not exceed the stated reimbursement amount(s), but must confirm the times and dates of the activities or meetings for which claims are being made.

Claims for reimbursement of amounts in excess of the state reimbursement amount(s) are subject to review and approval of the CEO.

7.4 Accommodation

7.4.1 Groups

Upon approval of the Association, accommodation for groups may be booked by the group and billed back to the association.



7.4.2 Individuals

Reasonable accommodation rates vary significantly from city to city and season to season and therefore a standard maximum cannot be set. It is the intention of the association to reimburse individuals for their accommodation while on Gymnastics BC business.

The specific event or meeting accommodation rate expectations will be communicated to individuals attending events or meetings and will be reimbursed to individuals through an expense claim. Where possible, volunteers or staff will be asked to share a room.

7.5 Conference, Clinic, Workshop or Meeting Registration

Gymnastics BC will pay or reimburse individuals who attend conferences or external meetings or other events on the association's behalf. Attendance must be pre-approved by the Chief Executive Officer.

Reimbursement can be claimed for any registration fee, reasonable travel, parking and accommodation. Only meals outside of the conference group meals package can be claimed. (*also see 7.3.3*)

8.0 ORGANIZATION CREDIT CARDS

8.1 Use of Credit Cards

The Board of Directors has approved the use of corporate credit cards for purchase tracking and payment efficiency.

8.1.1 Credit Limit and Staff Cards

A credit limit has been established with the association's credit card company. Credit cards can be made available to multiple staff as approved by the Chief Executive Officer to provide optimal programming efficiency, but the maximum credit limit cannot be exceeded and each staff member will have restrictions on their purchase decisions.

8.1.2 Tracking Credit Card Purchases

All credit card purchases must be submitted to the Accountant with all back-up documentation and receipts. A monthly tracking system is maintained with all purchases and account coding recorded. A monthly reconciliation of the tracking spreadsheet, transaction receipts and credit card invoice is performed. Transaction receipts are filed with the credit card statement and reconciliation spreadsheet.



8.1.3 Cancellation of Credit Cards

Credit cards assigned to specific staff members are cancelled when that individual leaves the association or is assigned responsibilities without need for credit card use.

8.1.4 Redemption of Credit Card Points or Affinity Rewards

All points, rewards or other opportunities that are earned as a result of Gymnastics BC credit card use can only be redeemed for the benefit of the association, a designated program or activity. These decisions are at the sole discretion of the Chief Executive Officer.

