

## FINANCIAL POLICY

### Definitions

1. The following terms have these meanings in this Policy:
  - a. "Organization" refers to Sail Manitoba
  - b. "Representative" – Individuals employed by, or engaged in activities on behalf of, the Organization including: coaches, convenors, officials, staff members, contract personnel, volunteers, managers, administrators, committee members, and directors and officers of the Organization

### Purpose

2. The Organization will function as a Not-For-Profit organization and all fundraising, fees, sponsorship, and grants will be used for the ongoing development of the sport.
3. The purpose of this Policy is to guide the financial management practices of the Organization.

### Budget and Reports

4. The Organization's Board will develop and approve an annual budget which will contain the Organization's total anticipated expenditures and revenues.
5. The Treasurer (or designate) will, at each meeting of the Board, present an interim comparative financial statement (which includes actuals for revenues and expenditures compared to budget) to the Board for approval.
6. The Treasurer (or designate) will, at the Annual Meeting, present Financial and Audited Statements as required by applicable legislation and any other report as determined by the Board.
7. The financial statements of the Organization will be audited by an auditor appointed at the Annual General Meeting.
8. The Organization will file a T2 Corporation Income Tax Return quarterly.

### Fiscal Year

9. The Organization's fiscal year will be April 1 – March 31.

### Banking - Revenue

10. Membership and Registration fees shall be reviewed annually by the Executive Director who will make recommendations to the Board; which shall approve fees for each year well in advance of the start of the registration year.
11. All money received by the Organization will be placed into a general fund and will be used for all necessary and permitted purposes for the operation of the Organization, as determined by the Organization's Board.
12. All money received by the Organization will be deposited, in the name of the Organization, with a reputable financial institution.
13. The Bank Statements will be reconciled to the general ledger on a monthly basis.
14. The Organization is not set up for any petty cash.

### **Signing Officers**

15. All cheques, contracts, documents, or any other instruments in writing requiring the signature of the Association shall be signed by at least two of the following:
  - a. President as a signing authority
  - b. Treasurer as a signing authority
  - c. The Executive Director as a signing authority
16. Any contracts, documents or any other instruments in writing which have been approved in the Organization's budget that are under \$1,000 are not subject to this section and may be executed by the Treasurer or any individual delegated with signing authority by the Board.
17. All cheques payable to any signing authority will not be signed by that signing authority.

### **Electronic Banking**

18. Internet banking has become a very common banking practice that provides several distinct advantages, the Association will ensure internal controls related to online banking are in place to ensure all internet banking transactions are consistent and comply with the Associations financial procedures (such as the type of allowable uses for online banking transaction, number of signers).
19. No one person should handle all of the transaction; the proper segregation of duties at all times must be followed. Authorized users need to consider the safe, secure and confidential storage of information and data, including the storage of PIN's and security tokens where applicable. Proper retention of all supporting materials and print outs transactions receipts must be maintained.

### **Expenses**

20. Requests for purchases require the following:
  - a. All purchases must be approved by the Executive Director.
  - b. Purchases over \$5,000 also require the approval of the Organization's Board.
21. All expenses will be supported with receipts and must be detailed to budget items, projects, or functions by the Organization's Executive Director.
22. Approved expenses are to be claimed and reported no later than thirty (30) days following the date of the expense. Expenses submitted beyond the thirty (30) day reporting requirement will be paid only upon the Board's approval.
23. Any expenditure not approved within the annual budget will be approved by the Board prior to any such expenditure. Without the Board's approval, the expenditure will not be paid by the Organization unless determined otherwise by the Board.

### **Accounts**

24. Accounts receivable terms are net ninety (90) days from the date of invoice.
25. Accounts payable will be paid within the terms of the supplier invoice. Where no terms are specified, accounts will be paid within thirty (30) days.

### **Credit Card**

26. With the approval of the Board, the Organization may acquire credit cards for the use of staff members who are required to make purchases on a regular basis for travel, accommodation,

- and other expenses related to their duties on behalf of the Organization. The Board will determine who receives credit cards and what the credit card limits will be.
27. Credit card holders will be responsible for all charges made on credit cards issued in their name.
  28. Credit cards must only be used for authorized payments that include:
    - a. Payment of actual and reasonable expenses incurred on authorized Organization business, including travel and accommodation, where it is not feasible for these costs to have been paid in advance of the expense being incurred or for the costs to be invoiced to the Organization
    - b. Purchase of goods or budgeted items
  29. For the purposes of this Policy, expenses included in an annual Organization budget as approved by the Board are considered to be authorized. Expenses that fall outside the approved budget must be approved before being charged to an Organization credit card.
  30. Credit cards are not to be used for any personal expenses and may not be used for meal purchases except with prior authorization.
  31. All expenses charged to a credit card should be supported by a credit card receipt issued by the merchant or a detailed supplier invoice to confirm that the expenses are properly incurred on Organization business.
  32. Under no circumstances are cash advances to be drawn on Organization credit cards.
  33. Cardholders must:
    - a. Not allow another person to use the card
    - b. Protect the pin number of the card
    - c. Only purchase within the credit limit of the card
    - d. Notify the credit card company if the card is lost or stolen
    - e. Keep the card with them at all times, or in a secure location
    - f. Forward to the Organization's Executive Director, on a monthly basis, all receipts for expenses charged to the card in the previous month
    - g. Surrender the credit card upon the cardholder ceasing to perform the role for which the card was issued
  34. In relation to the Organization's credit cards, the Organization's Executive Director must:
    - a. Ensure that each credit card issued to an individual is paid in full on a monthly basis
    - b. Review and reconcile each credit card statement on a monthly basis
    - c. Bring to the attention of the Board any credit card expense which does not appear to be authorized under this policy
    - d. Recover from the cardholder any funds owing for unauthorized expenses

### **Expense Claims**

35. Representatives may submit expense claims to the Executive Director for personal expenses incurred in performing their duties for the Organization. Generally, only expenses pre-approved by the Organization's Executive Director will be reimbursed - and only within three months of the incurred expense. Expense claims must include:
  - a. The exact amount of each separate expense
  - b. The date on which the expense occurred
  - c. The place and location of the expense

- d. The purpose of the expense
  - e. A receipt for the expense
36. Organization Representatives may submit expense claims to the Organization’s Executive Director for travel and/or accommodation expenses for conferences, tournaments, provincial meetings, or national meetings; provided the expected expense reimbursement amount is pre-approved by the Organization Executive Director.
37. Generally, no cash advances will be provided. If there is a need for a cash advance, a request must be made to the Treasurer for approval of the advance.
38. Expenses will be reimbursed in amounts outlined in the following table:

| <b>Travel</b>                          | <b>Rate</b>                                  | <b>Notes</b>                                  |
|--|--|---|
| Travel – Personal Vehicle Mileage Rate | \$0.40 per kilometre<br>\$0.45 per kilometre | Own vehicle for work<br>When towing a trailer |
| Travel – Air                           | Lowest economy                               | Prior approval required                       |
| <b>*Per Diem</b>                       | <b>Rate</b>                                  | <b>Notes</b>                                  |
| Breakfast out of *Province             | \$8.00                                       | Receipts not required                         |
| Lunch out of *Province                 | \$12.00                                      | Receipts not required                         |
| Dinner out of *Province                | \$20.00                                      | Receipts not required                         |
| Full Day out of *Province              | <b>\$40.00</b>                               | Receipts not required                         |
| <b>Accommodation</b>                   | <b>Rate</b>                                  | <b>Notes</b>                                  |
| Accommodation                          | Double occupancy                             | All personnel unless specified                |
| Accommodation                          | Single occupancy                             | Only the President                            |
| Incidental expenses                    | Actual cost                                  | Receipt required                              |

\* Per Diem is only available within the \*\*Province if billeting is not provided in province, as per Section 45.

\*\*Sail Manitoba jurisdiction

39. The Organization will not reimburse for costs above the specified rates without prior approval of the Treasurer. Where costs above the specified rates are approved, receipts must be provided.
40. Executive Director’s expenses will be approved by the Treasurer and/or President.

### **Travel and Accommodation Expenses**

41. Air travel is to be booked through the Organization whenever possible. Air travel including fares and itineraries is to be approved in advance by the Treasurer. In no circumstance will fares above the economy fare be reimbursed.
- a. Car travel will be reimbursed at the mileage rate specified in this Policy and will not exceed cost of available economy airfare.
  - b) Car rentals will be reimbursed where authorized. Reimbursement will be for compact size cars through an authorized agency at the most economical rate possible. Individuals

are expected to travel as foot-passengers where possible. For car rentals, it is the responsibility of the renter to ensure that adequate Collision, Comprehensive and Third Party Liability Insurance properly covers the vehicle. Whether insurance is purchased through the rental agency, MPI, or by way of credit card, the renter must ensure that the type of vehicle rented and/or its intent use does not conflict with the rental company or credit card provided insurance guidelines.

- b. Advance booking fees will be reimbursed where required by the nature and purpose of the travel.
- 42. Whenever possible, the Representatives who are attending the same event should travel together and stay with friends or event organizers where possible. However, only the driver may submit car-related expenses.
- 43. Accommodation will be reimbursed based on single occupancy for the Organization's President. All other accommodation will be reimbursed based on double occupancy. Reimbursement for accommodation will be limited to reasonable amounts in the particular circumstances with consideration given for proximity to business events and for location of events. Hotel receipts will be required for reimbursement, as a charge card slip does not provide sufficient information.
- 44. The Organization will not provide reimbursement for speeding tickets or fines for any other violations.
- 45. A Representative attending an event in the province where meals are not provided, may request a per-diem allowance before attending the event. Per-diem rates are listed in the above table and do not require receipts. Individuals will not be reimbursed where meals are provided as part of an event or where meals are included in the accommodation rate.

### **Entertainment Expense**

- 46. Entertainment expenses are reimbursable when the expense is directly related to business. These expenses include the purchase of a meal for a business associate or associates while conducting business. The expense shall be pre-approved by the Executive Director. The employee shall pay the bill and submit it on his/her expense report. Original receipts must support all claims and include names of attendees and purpose of the expense. Maximum allowable tip amount shall not exceed 15%

### **Other Expenses**

- 47. Organization Representatives may be reimbursed for long distance telephone calls provided the expenses were Organization-related. Expense claims for telephone expenses must include the name of the person called, his or her connection to the Organization, and the purpose of the call. Telephone expenses in excess of \$80.00 will not be reimbursed.
- 48. Actual and reasonable expenses for items such as parking, telephones and copying may be reimbursed. Receipts must be provided for all such expenses.

### **Signing Authority – Other Documents**

49. In the absence of any resolution to the contrary passed by the Board, the deeds, contracts, securities, bonds and other document(s) requiring the signature of two signing officers. The Board may authorize other persons to sign on behalf of the Organization.
50. Copies of all deeds, contracts, securities, bonds and other document(s) requiring the signature of the Organization will be made available for review by the Board if requested.

### **NSF Charges**

51. The Organization will charge a twenty-five-dollar (\$25.00) charge on NSF Cheques. The penalty will be waived if the cheque was returned in error from the Bank (written confirmation required). Waiver of penalty for reasons other than bank error shall be considered on a case-by-case basis. An individual who has a repeat occurrence of a returned cheque will not be allowed to pay with a cheque in the future. Accepted methods of payment will be cash, certified cheque or money order.

### **Replacement Cheques**

52. Lost or missing cheques will not be re-issued until after the next applicable month end reconciliation has taken place.
53. Cheques that need to be replaced due to loss will be assessed a twenty-five-dollar (\$25.00) administration fee.
54. Lost or missing cheques that have not been claimed by the Organization's year end will not be reissued.

### **Equity/Operating Reserve**

55. The target for the minimum operating reserve fund or minimum equity level is 25% of the annual operating budget. The amount of the equity/operating reserve will be reviewed annually after the fiscal budget is approved.  
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### **Review and Approval**

56. The administration and review of this policy is the responsibility of the Executive Director. This policy was first approved by the Board of Directors of Sail Manitoba on February 5, 2018. Reapproved February 10, 2021 The next re-approval date is February 2024.