

# Financial Management Policy



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## 1. Statement of Policy

The purpose of this Policy is to prescribe the responsibilities of Directors and others to ensure sound financial management of the Yellowknife Ski Club (the Club).

## 2. Principles

**Community** – sound financial management of our programs, events and assets helps to promote the objects of the Club.

**Responsibility** – the Club, through its Board, by-laws, and policies is responsible for the stewardship of membership fees, donations, investments, and other revenue.

**Sustainability** – sound financial management will help to ensure the long-term vitality of the Club.

## 3. Definitions

“Fiscal Year” – one 12 month period from May 1st until April 30th.

## 4. Provisions

### **Budgets**

- (a) A budget will be prepared between the beginning of the Fiscal Year and the annual general meeting.
- (b) Directors are responsible for submitting to the Treasurer, in the Board approved form, estimates of revenues and proposed expenditures for the coming Fiscal Year, for the area(s) for which they are responsible.
- (c) If an Executive Committee has been struck by the Board, it will review all budget submissions and make budget recommendations to the Board in keeping with Club policies and/or plans.
- (d) The annual budget must be approved by resolution of the Board.
- (e) Following approval of the budget by the Board, Directors will be allocated a budget for their area(s) of responsibility for the Fiscal Year and will be accountable to the Board for the management of their budget.

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- (f) Directors have discretion to allocate their budget within their area of responsibility, so long as that allocation is in keeping with the Club's by-laws and policies as well as resolutions of the Board.
  - (g) Directors should not exceed the budget allocated to their area of responsibility for the Fiscal Year, except by resolution of the Board.

### ***Programs***

- (a) At the beginning of the Fiscal Year, the Director responsible for Programs, in consultation with Program Coordinators, will advise the Treasurer of the amount to be budgeted for each program.
- (b) The Treasurer may make an accountable advance to a Program Coordinator to cover the costs of travel to races or major events, in keeping with the budget or by resolution of the Board.
- (c) Program fees shall be set annually by the Board, before the annual general meeting, on the advice of the Director responsible for Programs, in consultation with Program Coordinators, the Treasurer, and the Director responsible for Registration.
- (d) All revenue remitted to the Club from program enrolment will be deposited as part of the general revenue of the Club except for programs with special accounts. Revenue for programs with special accounts will receive 100% of the program registration fees.
- (e) Revenue raised by a program through grants or fundraising will be remitted to the Treasurer, but may be set aside for future use by that same program in accordance with Appendix A of this Policy.
- (f) Expenditures for an individual program should not to exceed the program budget.
- (g) Program Coordinators are responsible for monitoring individual program spending against the budget allocated to them by the Director responsible for Programs, and, if necessary, promptly identifying areas of concern to the Director responsible for Programs as well as to the Treasurer.

### ***Events***

- (a) At the beginning of the Fiscal Year, the Director responsible for Events will advise the Treasurer of the amount to be budgeted for each event based on a schedule of events approved by the Board for the following Fiscal Year.
- (b) Event fees shall be set by the event coordinators, on the advice of the Events Director and the Treasurer.
- (c) All revenue remitted to the Club from an event will be deposited as part of the general revenue of the Club.
- (d) It is expected that all events sanctioned by the Club will generate revenue so as to exceed the cost of the event; special exception may be granted by the Board in cases where an event is

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intended to recognize Members or where the objective of an event is primarily to market the profile of the Club.

### ***Revenues***

- (a) Invoices will be issued by the Treasurer on the Treasurer's own initiative or on recommendation of a Director for any revenues owed to the Club
- (b) Invoices may be issued by a third party on direction from the Treasurer.

### ***Expenditures***

- (a) Expenses incurred on behalf of the Club will be paid or reimbursed in accordance with the approved budget only with provision to the Treasurer of a bill proving payment, as well as, where deemed necessary by the Treasurer, approval by the Director responsible for the expenditure.
- (b) Invoices from regular suppliers are paid by the Treasurer in accordance with this Policy and the approved budget.
- (c) Reimbursement or payment of unbudgeted expenditures, or expenses incurred contrary to Club policies, require a resolution of the Board.

### ***Signing Authority***

- (a) All disbursements that are paid by cheque shall be signed by the President or Vice--President, and the Treasurer, or in any of their absences by some other Director as appointed by resolution of the Board.

### ***Reserves, Investments and Other Special Funds***

- (a) The establishment and use of reserve funds, interest bearing or other investments, and/or any special funds may only be undertaken by resolution of the Board and must be in keeping with Club policies, including the principles set out in this Policy.
- (b) An unallocated surplus shall be maintained that is no less than 5 per cent of annual expenditures.

### ***Financial Reporting***

- (a) Following approval of the budget, every three months the Treasurer shall table with the Board a variance report for the period expired.
- (b) In keeping with the requirements of the Societies Act as well as the Club's by-- laws, the Treasurer shall prepare a year--end financial statement to be presented for inspection by the Members at the annual general meeting.

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## **Tax Receipts**

- (a) All cash donations to the Club shall be remitted to the Treasurer for deposit as part of the general revenues of the Club.
- (b) All donations of new materials or professional services to the Club that are accompanied by an invoice shall be reported to the Treasurer.
- (c) The Treasurer will provide a Club receipts to donors for all donations.

## **5. Authority and Accountability**

Directors are responsible for conducting the financial affairs of the Club in accordance with the *Societies Act*, the by-laws and policies of the Club, as well as any resolutions of the Board.

The Treasurer is responsible for keeping full and accurate accounts of all receipts and disbursements of the Club. The Treasurer is accountable for drafting a budget for approval by the Board, financial statements for inspection by the membership, preparation of tax receipts, as well as for the overall implementation and supervision of this Policy.

The Director of Programs is accountable to the Board for the financial management of the approved list of programs.

The Director of Events is accountable to the Board for the financial management of the approved schedule of events.

Directors are responsible for preparing annual budget submissions and are accountable to the Board for ensuring that any revenues and expenditures within their area of responsibility are managed in accordance with this Policy and the approved budget.

## **6. Scope & Authority**

This Policy applies to all financial assets, liabilities, revenues and expenditures of the Club, including those associated with membership, events, programs, donations, fundraising, as well as the rental and maintenance of facilities, trails and other assets.

## **7. Prerogative of the Board**

Nothing in this policy shall in any way be construed to limit the prerogative of the Board to make decisions or take action respecting the Club outside of the provisions of this Policy, in appropriate circumstances.

## **8. History**

This Policy was adopted by the Board on the 5th day of February, 2013, and revised on June 4th, 2013. It entirely replaces the Tax Receipt Policy, adopted May 3rd, 2004.

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This policy was amended and approved on April 12, 2021.