



April 17, 2002
as amended through August 15, 2011

POLICY

Subject: Financial Management

Adopted by the Board of Directors: April 17, 2002
August 15, 2011

Fiscal Year

- 1) The Fiscal Year of the Association shall be the period of April 1 through March 31.

Long Term Financial Plan

- 2) The Association shall have a Long Term Financial Plan which shall cover a period of not less than four years.
- 3) The Long Term Financial Plan shall be prepared by CSA management and approved by the Board of Directors, and shall be reviewed and updated by the Board of Directors on an annual basis.
- 4) Reports on, and proposed revisions to, the Long Term Financial Plan shall be prepared for the Board's consideration by the Managing Director in consultation with the Treasurer.

Annual Budget

- 5) The Association shall have an Annual Budget.

- 6) The Annual Budget shall be prepared by CSA management and approved by the Board of Directors, and shall be reviewed by the Board of Directors on a quarterly basis.
- 7) Reports on, and proposed variances from, the Annual Budget shall be prepared for the Board's consideration by the Managing Director in consultation with the Treasurer. Proposed variances shall be identified in a report called a Budget Forecast.
- 8) Revisions to the Annual Budget shall be approved by the Board of Directors, and shall ordinarily be done through approvals of Budget Forecasts.

Financial Records and Reports

- 9) The Managing Director shall be responsible for the maintenance of the Association's financial records and the production of regular financial reports, under authority delegated by the Treasurer.
- 10) Financial records shall consist of a Statement of Revenue and Expense, a Balance Sheet, a Budget Forecast, and a Bank Reconciliation.
- 11) Financial reports shall be produced monthly, not later than the 15th of the following month.

Recognition of Revenues and Expenses

- 12) The Association follows the deferral method of accounting for contributions and maintenance of its accounts in accordance with the principles of fund accounts.
- 13) Capital assets over \$499 shall be amortized on the following basis:
 - i) Leasehold improvements...Straight-line over 10 years.
 - ii) Furniture and Fixtures...Straight-line over 10 years.
 - iii) Computers and Related Materials...Straight-line over 3 years.
 - iv) Equipment...Straight-line over 5 years.

Financial Management

- 14) The Managing Director shall be responsible for managing the financial assets and the revenues and expenses of the Association, in accordance with the approved budget.

- 15) The Association's financial assets shall be maintained in a commercial account at a regulated Canadian financial institution such as a bank, trust company, or credit union. The selection of this financial institution shall be the responsibility of the Board of Directors.
- 16) The Association's fund shall not be invested in securities other than Government of Canada Treasury Bills managed by a regulated Canadian financial institution.
- 17) Travel expenses shall be paid in accordance with the current Federal Government Treasury Board Guidelines.
- 18) The Managing Director shall have authority to reallocate amounts with budget expense groups (e.g. within Administrative Expenses).
- 19) The Managing Director shall not have authority to reallocate amounts between budget expense groups (e.g. between Administrative Expenses and Representation Expenses).
- 20) The Managing Director shall not have the authority to reduce the budgeted net surplus (or increase the budgeted net deficit) of the Association.
- 21) In extraordinary circumstances the Treasurer, or in his absence the President or Vice President, may approve an expense which has the effect of reducing the budgeted net surplus or increase the budgeted net deficit. In such instances this shall be communicated to the Board of Directors immediately, for review at the Board's next meeting.
- 22) The Managing Director, except in cases of an emergency, shall seek written approval from at least 2 elected members of the executive Committee with respect to incurring any individual expenses or executing any individual contracts in excess of \$5,000

Financial Controls

- 23) All cheques shall be signed by two of the elected signing officers.
- 24) Unless otherwise indicated, all expenses shall be approved by the Managing Director.

- 25) All expenses related to the employment of staff (permanent, part time, or contract) shall be approved by the Board of Directors, either through approval of the Annual Budget, or on a specific basis.
- 26) All expense claims and all credit card statements submitted for reimbursement shall be approved by the Managing Director of the association with cheques to be signed by two (2) elected officers of the Association.
- 27) The financial records of the Association shall be reviewed annually by external auditors, who shall be chosen by each Annual General Meeting of the Association and who shall conduct such review in accordance with Canadian accepted standards for review engagements.

Review of Financial Policies and Procedures

- 28) All revisions of the Association's financial management policies and procedures must be approved by the Board of Directors.