

GIRL GUIDES OF CANADA – _____ AREA

(Sample of Treasurer's Financial Procedures required to be followed).

GENERAL

- ✎ *Each commissioner is responsible for the financial practices within her jurisdiction (i.e. a district commissioner is responsible for the district finances and all units within the district). She must have access to all financial records at any time. As the commissioner assumes this responsibility she will be the person to determine the duties and expectations of the treasurer or other individuals assisting in the handling of finances.*
- ✎ Treasurers are approved by the council concerned each year and this appointment should be recorded in the council minutes at the beginning of each year. A Treasurer's term of office must be no more than five years.
- ✎ A treasurer should not serve as treasurer on more than one council at a time.
- ✎ *It is expected that funds will be managed with extra duty of care. There is zero tolerance for misrepresentation or misappropriation of funds.*
 - ✎ Funds are to be used for the benefit of the girls only. Extreme care must be taken for any expenditure directed to adult activities.
 - ✎ Consideration should be taken when considering all expenditures ensuring that excessive amounts are not expended on administrative costs (i.e. separate phone lines are not necessary, however the use of smart ring lines may be considered to minimize disruption of personal lines for fax lines).
 - ✎ Guiding funds must not be used for items such as police records checks (PRC), Book of Honor, etc.
- ✎ Councils must always maintain an appropriate level of Net Unrestricted Assets.
 - ✎ It is recommended that a minimum level of funds be held to cover expenses that would be required to completely windup in an emergency situation if all sources of revenue ceased. Districts should hold a minimum of at least three to four months of operating funds at all times. Units should have sufficient funds held at the end of each year to start the next operating year.
 - ✎ Caution should be taken to avoid accumulation of excessive funds (unless saving for a specific, approved event). Funds are collected from registration, cookie sales and event fees to benefit the currently registered girls and should be used to benefit those girls.

BANKING

- ✎ *All funds must be deposited in a financial institution in the name of Girl Guides of Canada together with the name of the Unit, District or Area (i.e. Girl Guides of Canada – XYZ Area). The same policy applies to the registered name of any investments of excess funds, such as Guaranteed Investment Certificates. Do not pay expenditures from cash received; first deposit the funds to the appropriate bank account then issue a cheque to cover the expenditure.*
- ✎ Any level of Guiding that has any funds flow through at any time must have a separate bank account in order to process those funds. A personal bank account must never be used to accumulate funds collected prior to forwarding those funds.

- ✎ The bank account should be a type that will provide monthly statements. Ask to have it include returned cheques.
- ✎ Commissioners must receive monthly reporting to insure that funds are deposited and expenses reimbursed in a timely manner. It is recommended that the mailing address of all unit bank accounts be kept at district council level (such as the district commissioner) instead of with the unit as a means of providing a check of the cash flows.
- ✎ Any funds invested must be *in compliance with the Provincial Trustee's Act*. This means that that the funds must be sheltered from downside risk. As per the B.C Trustee Act the equity portion of an investment can not exceed 35% of the total portfolio at any time
 - ✎ Only consider secured investments such as Savings accounts or Guaranteed Investment Certificates.
 - ✎ As all mutual funds have varying elements of downside risk they would not be considered appropriate.
- ✎ *Cheques must be signed by two or more signing officers, authorized annually by the council ... and recorded in their minutes. Signing officers for units, etc. are to be authorized annually by motion of the supervising council.* Signing officers must be of legal age of majority and must not be related and one signing officer must sit at the parent council level.
- ✎ *Blank cheques should never be signed.* This may seem like a convenient solution for obtaining that ever needed second signature, but it not only puts the funds of the girls at risk. It also defeats the guardianship provided by having two independent individuals sign.
- ✎ It is recommended that council bank accounts be placed with financial institutions that provide banking services without charge to community organizations whenever possible.
- ✎ Bank accounts must be reconciled to the record keeping sheets of the council each month as soon as possible after receipt of the monthly statement.

CLOSED UNITS

- ✎ If a unit closes the financial records, including *the account book, a final financial statement and the bank (cheque) book must be given to the commissioner* of the supervising council without delay.
 - ✎ The unit's bank account must be closed as soon as possible, and definitely prior to preparation of the final financial statements.
 - ✎ Any balance from the bank account *will flow upwards to the next level* (i.e. closed unit to district).
 - ✎ These funds are held in trust for up to two years if the closure is considered temporary otherwise the funds become the property of the supervising council.

BUDGETS

- ✎ *A budget is a projection of expected income and expenses.* It is recommended that all council levels prepare a budget each year conservatively estimating anticipated revenues and expenses for the year.

- ✎ Budgets should be prepared prior to the beginning of each calendar year and can be a great planning tool that goes hand in hand with planning the year's events effectively, but are of little use when prepared as an after thought later in the year. (See Governance Policy for dates – Governance section of Member Zone.)
- ✎ The amounts within the budget provide a guideline to be used in planning and implementing the activities for the year, but are not unbending amounts that can not be modified as need arises. This said, it is recommended that changes to the budget not be entered into lightly and must be done by council motion.
- ✎ Event budgets are to be prepared in the preliminary stages of planning (i.e. not be prepared after the event is over).

GUIDER ALLOWANCES AND REIMBURSEMENTS

- ✎ All payments to Guiders and others must be backed up by a paper trail of receipts.
 - ✎ Honorariums must not be used. Honorarium implies an income to the recipient, which would require a tax slip be issued and reported on a personal tax return
 - ✎ If advancing a specified sum to active Guiders it must clearly reflect payment for expenditures that are justified and will be receipted.

RECORD KEEPING

- ✎ The top priority of any treasurer is the secure handling and storage of cash receipts. All cash amounts held outside a bank account are at risk, any cash entrusted to your care should be deposited in the bank as soon as possible, and until this can be done take great care to insure that the funds are stored securely (i.e. do not leave in the car).
- ✎ Another concern is a clear paper trail of all financial activities.
 - ✎ Receipts of some sort should always be received for expenditures.
 - ✎ Cheques must be issued for payment of all expenses; do not use cash receipts to cover expenses.
- ✎ *Accounting records must be kept up-to-date.* Accounting records are a report of the financial status of the unit or district.
 - ✎ Completed records must be available at the request of supervising councils at any time.
 - ✎ If records are prepared manually the record keeping sheets must be prepared neatly using ink.
 - ✎ If a computerized spreadsheet is used to prepare records, maintain a system of regular backups and check that the formulas continue to accurately pickup the appropriate amounts. Such working papers must be printed out at the end of each year.
 - ✎ Transactions should be recorded in date order, extending across the sheet to detail the revenue or expense.
 - ✎ Accounting records must be retained for seven years.
- ✎ Financial statements and reports must be prepared according to the 'Standard Financial Reporting Manual' at the end of each year and/or when the treasurer resigns.

- ✎ *These records are to be reviewed annually. The financial reviewer should not be related, through family or business, to ... persons responsible for the financial accounts and must be approved by motion. Area council executive must also approve the reviewer of district records in advance.*
- ✎ Once reviewed the financial statements/reports must be submitted to the commissioner of the supervising council.
- ✎ The term "Audit" should not be used in reference to the year end review of council records; an audit has a very specific meaning that is outside the scope expected of our reviews.
- ✎ Work with appointed Accountant to provide financial reporting required for the Annual Compliance package submitted to Provincial Council the by 31st of May, each year.

GST

- ✎ GST is not charged on the purchase or sale of Girl Guide cookies.
- ✎ Ensure timely reporting of GST amount whether rebates or payments. paid out on all expenses is
- ✎ Further clarification is being reviewed as we work through the new requirement (by CRA) to charge GST on camp fees.

AREA SPONSORED EVENTS

- ✎ Although a particular district or committee may be assigned the responsibility of organizing area sponsored events or camps the revenues and expenses are not part of the record keeping of the district or committee.
 - ✎ Area will invoice districts for registration to area sponsored events and camps.
 - ✎ Payments for registration must travel up line by the committee system only (i.e. do not pay directly from an Individual or unit to Area Provincial Council) unless specifically instructed for a special circumstance.
 - ✎ The area treasurer will require a complete listing of all participants prior to the start of the event; including name, unit and district so that districts can be invoiced an appropriate amount.
 - ✎ Cheques from districts should not be submitted to area until the invoice has been issued.
- ✎ The area treasurer will require information of anticipated expenditures, such as a budget, before any advance on expense will be issued.
- ✎ All expenses (except for small amounts) should be reimbursed directly through area books (not district books). With advance notice cheques can be prepared by area quite quickly so turn around time should not be an issue. If any expenses are paid out through other councils these amounts should not be reported as expenses of that council and the GST rebate cannot be claimed at that level; these expenses and GST rebate can only be claimed at area level.
- ✎ All receipts for expenditures must be submitted to the area treasurer within two weeks of the end of the event (sooner if possible).

CONTRACTED SERVICES

- ✎ If a contract is required for any services the commissioner (with consulted approval of the Provincial Commissioner must approve this contact. Contracts may not be signed *without proper authorization in writing*.
- ✎ Contracts for equipment rentals, transportation, or specialized instructors and speakers may be required when organizing events, allow time to obtain appropriate approval.

CWFF

- ✎ The goal of \$2.00 per member is the recommended target for CWFF receipts but is not set in stone.
- ✎ These receipts should be forwarded through the committee system at least once per year (it is recommended that this be at the end of each year), however if a special project results in a larger amount then these receipts should be forwarded as soon as possible.

REGISTRATION FEES

- ✎ It is recommended that registration fees be charged at the same amount for all districts across the entire area as determined at the area council level.
- ✎ Registration fees may also include additional charges for room (school / hall) rentals but this should be disclosed separately to parents.

At this time most fees are being collected at the National level and flowing down to Areas, Districts, Unites.

- ✎ Province will invoice the Areas for their registered membership numbers each year. Area will invoice each district for the portion of registration fees to be forwarded based on the numbers.
- ✎ After the provincial invoice date any new registrations will be charged a full National Membership fee that must be forwarded to area as soon as possible.
 - ✎ Districts & units may also want to consider charges some kind of additional prorated fee.
 - ✎ Area will not be charging additional fees for registrations after the provincial invoice date.

FUND RAISING & DONATIONS

- ✎ Fund raising projects can be a valuable source of revenues, however *it is necessary that the reputation, integrity and identity of Girl Guides of Canada be maintained* during such activities.
- ✎ Cash or property donations can be accepted, but note that any amount (or value), which exceeds \$500, must be cleared by *External Relations Service at the National Office, which keeps a registry*.
- ✎ *Fund raising is not to be undertaken for Adult Only Independent Group Trips.*

- ✎ *Fund raising for international trips must adhere to National and Provincial fund raising guidelines. (Governance Policy 01-19-01 Fundraising – Governance section of Member Zone)*
- ✎ District councils must approve fund raising projects planned by units or individuals.
- ✎ Provincial Council will issue tax-deductible receipts for donations of any amount.
 - ✎ It would be preferable to receive all donations by cheque payable to BC Council however if a cheque is received payable to a particular council or cash is received deposit those funds to the council bank account and issue a cheque from the council payable to “Girl Guides of Canada”.
 - ✎ Send the cheque that is payable to BC Council or council cheque plus a copy of the original donation cheque with a letter clearly explaining that you are requesting a tax receipt for the donation, naming the council to which the donation should be applied (this is very important).
 - ✎ Provincial Council will return a cheque back to the council along with a tax-deductible receipt that can be forwarded to the donor.
- ✎ Receipts will also be issued for donations “in kind” to Province if a proof of value is submitted to Provincial Council along with a letter of request.

AREA SUBSIDIES – This is a sample of what an Area can have in place.

- ✎ Area may have several subsidies and restricted funds available to assist girls to participate in guiding activities..
- ✎ Area assistance for girls & adults attending events outside of Area may be offered.

INSURANCE

- ✎ Girl Guides of Canada carries a *Liability Insurance Policy and Accident Insurance Plan*.
 - ✎ This insurance is a secondary coverage; *the claimant must go through her own private insurance first.*
 - ✎ This insurance does not cover specified high-risk activities; insurance for such activities *will have to be purchased, in the name of Girl Guides of Canada, independently.*
- ✎ It is *advised to buy additional health insurance* or at the very least investigate additional coverage when traveling outside of the province.
 - ✎ Individuals selected for *nationally sponsored international events.*
 - ✎ Individuals and independent groups traveling outside Canada *are advised to buy additional health insurance.* This advice includes short trips (less than 72 hours) as well as extended travel.
 - ✎ *Independent groups traveling to other provinces within Canada* should also consider additional health insurance.

INDEPENDENT TRIPS

- ✎ See BC Council guidelines.