



FINANCIAL MANAGEMENT POLICY

Definitions

1. The following terms have these meanings in this Policy:
 - a. **GAAP:** Abbreviation for “generally accepted accounting principles”.
 - b. **CPA Canada: Chartered Professional Accountants of Canada.**
 - c. **Individuals:** Registered participants including, but not limited to, athletes, coaches, officials, volunteers, directors, officers, team management, health care and other staff.
 - d. **Finance and Audit Committee:** A standing committee of Volleyball Canada’s Board of Directors as per its by-laws
 - e. **Risk Management:** An explicit and organized process used to identify, assess, reduce and/or manage business, financial and reputational risks to an acceptable level so as to better achieve the Organization’s strategy, mission, values and goals.
 - f. **The Corporation or Organization:** The Corporation or Organization refers to Volleyball Canada.
 - g. **National Office:** For the purpose of this Policy, the National Office shall refer to Volleyball Canada’s Offices located in Ottawa, Ontario.

Policy Statement

2. Risk Management is a broad concept that includes financial risks. This policy is primarily concerned with financial risks. Volleyball Canada is committed to ensuring the ongoing and long-term financial health and stability of the Organization so that it can successfully deliver on its strategy, mission, values and goals. Volleyball Canada will conduct itself in a business-like fashion at all times in both its day-to-day and long-term operations and activities.. Implicit in this conduct is the identification and management of financial risks, and the adoption and practice of prudent financial management controls (policy and procedures).

Purpose

3. The purpose of this Policy is to guide the financial management practices and controls of Volleyball Canada.

Scope and Application

4. The Chief Executive Officer has overall responsibility for the day-to-day financial risk management of the Organization. This includes instilling a culture of risk identification and management, and compliance with financial management policy and procedures. It also means operating within budgets that are approved by the Board of Directors, with significant deviation requiring prior approval by the Board of Directors.
5. The Chief Executive Officer, along with the Chief Operating Officer, ensure compliance, across the Organization, with the internal financial controls approved by the Finance and Audit Committee. They are responsible for the production of financial statements in accordance with GAAP as developed by CPA Canada. They report to the Board of Directors as required.
6. The Chief Operating Officer is responsible for accounting, financial reporting, financial



planning & analysis, administration, insurance and human resource processes across the Organization. He/she is also responsible for monitoring and ensuring Organizational compliance with the Canadian regulatory authorities (including without limitation Canada Customs, Canada Revenue Agency and Corporations Canada) for operating as a Registered Charity, and Not for Profit organization. He/she reports to the Chief Executive Officer, and Board of Directors as required.

7. The Board of Directors and the Finance and Audit Committee are responsible to guide and advise management in developing sound financial and risk management principles, policies and processes. They are responsible for approving such principles, policies and processes. Specifically, the Finance and Audit Committee will:
 - a. Review financial reports at each board meeting;
 - b. Approve the annual financial statements for presentation to the members of the Organization.
 - c. Guiding management in the assessment of the financial risks to the organization;
 - d. Guiding management and approving the internal controls and financial management policies to manage these risks, ensure the safeguarding of assets and prevention of fraud, and the timely and accurate preparation of financial statements ;
 - e. Monitors the implementation of these by the Chief Executive Officer and the Chief Operating Officer;
 - f. Reports to the Board of Directors on the above matters; and
 - g. Meets annually with external auditors prior to sign-off on the annual financial statements

Provisions

8. Volleyball Canada will ensure all financial transactions are recorded in accordance with GAAP, and financial statements are produced in accordance with GAAP.
9. Special purposes financial reports shall be prepared in accordance with Government of Canada/Sport Canada guidelines.
10. Financial management policies and practices must designed with the objective to safeguard Volleyball Canada assets and permit only disbursements in accordance with approved budgets or approved variances.
11. The long-term financial planning of Volleyball Canada should strive to support a decreasing dependence on government revenue and increasing development of non-government revenues, and the creation of an accumulated surplus that is self-sustaining for future generations.

Signing Authority – Banking and Cheques

12. Signing authority shall be designated by the Chief Executive Officer and approved by the Finance and Audit Committee. The authority shall be any two (2) of the Chief Executive Officer, Chief Operating Officer, or any other person(s) of the Corporation designated by the Chief Executive Officer.



13. There shall be two signing officers for every cheque or electronic payment. Cheques made out to a signing officer, cannot carry the signature of that officer. In cases where this is not possible, a third signing officer must initial the cheque requisition or back-up documents.
14. Any disbursement exceeding \$10,000 requires prior approval and signature of the Chief Executive Officer.
15. Cheques in excess of \$100,000.00 shall require the approvals of the Chief Executive Officer and the Chair of the Board of Directors.
16. The signing officers for any loan or line of credit extended to Volleyball Canada shall be signed by the Chief Executive Officer and the Chair of the Board of Directors.

Contracts

17. The Chief Executive Officer is the signing authority for any contracts or other instruments in writing requiring the signature of the Corporation. His/her signature is required for all contracts or other instruments.
18. In the event that the Chief Executive Officer is unavailable for an extended period of time, the Chief Operating Officer shall act as the signing authority. In the case both are unavailable, the Chair of the Board of Directors may designate another individual to act as a signing authority.
19. Any contracts or instruments in writing that bind the organization for more than 12 months or have a budgeted value over \$200,000 or unbudgeted value over \$100,000 (either in money payable or services agreed to) require prior review and approval by the Board of Directors.

Credit

20. In the case that the Chief Operating Officer, Chief Executive Officer or Finance and Audit Committee recommends that Volleyball Canada obtains a loan from a lending institution, this recommendation must be reviewed by the Finance and Audit Committee and presented to the Board for approval.
21. Corporate credit cards may be issued to VC staff. In these cases, approval must be obtained from the CEO, and limits will be established by the CEO, COO and Board of Directors Finance Committee.

Financial Planning

22. Volleyball Canada's fiscal year is April 1st to March 31st. The proposed budget of a fiscal year will be presented for review and approval to the Board of Directors by March 31st. The budget is formally ratified at the Volleyball Canada Annual General Meeting.
23. National Office expenses that are shared by all programs, will be offset from general revenues. The general industry accepted overhead cost percentage of 12% of total revenue will be used as the maximum total amount that may be allocated for National Office expenses from program budgets.



24. 4-Year Planning – The nature of Volleyball Canada’s major initiatives generally follow a 4-year (Olympic/Paralympic) cycle. Thus, spending commitments tend to increase in the period leading up to the Olympics/Paralympics dependent on qualification events. As well, certain national championship years are conducted on a one-venue national basis which tends to increase participation with resulting increased revenues. Accordingly, annual budgets are to be reviewed in conjunction with a 4-year rolling outlook to ensure longer term resources are sufficient to maintain planned varying activity levels.
25. Sustainability Planning – Further to the above 4 year rolling outlook, it is a desire of Volleyball Canada to become increasing self-sufficient to short term changes to revenues and expenses, and to position itself to take advantage of future opportunities. Volleyball Canada will strive to add \$500,000 in accumulated surplus per 4 year cycle.

Cash Advances

26. Cash advances may be made to any employee or volunteer for any Volleyball Canada related activities where personal credit card use is not feasible. Prior approval of the cash advance must be obtained from, Chief Executive Officer, Chief Operating Officer, or the Program Manager.
27. Expense reports must be submitted within thirty (30) days following completion of the activity for which the cash advance was issued. Until the expense report is submitted and unused cash is returned, the recipient of the cash advance is personally liable for the advance to repay Volleyball Canada. Cash advances outstanding at March 31, (Volleyball Canada year -end) are re-payable no later than sixty (60) days following the year- end.

Expenses and Expense Reporting

28. Expenses are to be claimed/reported no later than thirty (30) days following the date of the expense.
29. All expenses must be supported with receipts, except in the case of per diem allowances. Expenses not supported with official receipts will not be reimbursed.
30. Individuals conducting business on behalf of Volleyball Canada will be subject to established travel and expense limits.
31. The relevant program staff must sign off on all expense claims.

Appointment of Auditors

32. In keeping with Volleyball Canada by-laws, the members shall at each Annual Meeting appoint an auditor to audit the accounts for Volleyball Canada and to hold office until the next Annual Meeting.
33. Remuneration of the auditor shall be negotiated by the Chief Executive Officer or the Chief Operations Officer.
34. The Auditors’ reports shall be published in the Volleyball Canada Annual Report and available to all members and the public.



Communications

35. This policy must be effectively communicated to all those who are responsible for upholding and implementing the policy.

Review

36. This Policy will be reviewed every two years or as decided by the Chief Executive Officer and/or the Volleyball Canada Board of Directors.

37. This Policy should next be reviewed in March 2020.

Approval

38. This Policy was approved by the Volleyball Canada Board of Directors on X.