



# Finance Policy

**“Organization” refers to: Softball Manitoba**

## **Definitions**

1. The following terms have these meanings in this Policy:
  - a) *“Representative”* – Individuals employed by, or engaged in activities on behalf of, the Organization including: coaches, 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 on-going 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 Executive Director will develop an annual budget which will contain the Organization’s total anticipated expenditures and revenues. The budget will be approved by the Executive Committee and reviewed quarterly.
5. After budget approval the Executive Director will present an updated budget to the Board quarterly.
6. Softball Manitoba will, at the Annual General Meeting, present Financial 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.
8. The Organization will file a T2 Corporation Income Tax Return each fiscal year.

## **Fiscal Year**

9. The Organization’s fiscal year will be April 1<sup>st</sup> to March 31<sup>st</sup>.

## **Banking - Revenue**

10. All fees (Registration, Development, Competition, etc.) 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.
12. All money received by the Organization will be deposited, in the name of the Organization, with a reputable financial institution.

## **Bank Reconciliation**

13. The Bank Statements will be reconciled to the general ledger on a monthly basis and will be accessible to the Executive Director and the Executive Committee.

## **Petty Cash**

14. The petty cash fund will not exceed \$200. When the cheque request is submitted for payment it should indicate the total amount needed to bring the fund back up to \$200.

### **Signing Officers**

15. All 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) Executive Director
  - b) President
  - c) Vice-President
  - d) A Director appointed by the Board as a signing authority
16. All cheques payable over \$3000.00 to any signing authority will not be signed by that signing authority.

### **Electronic Banking**

17. 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). 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**

18. Requests for purchases require the following:
  - a) All purchases must be approved by the Executive Director
  - b) Purchases over \$10,000 also require the approval of the Organization's Executive Committee
19. All expenses will be supported with receipts and must be detailed to budget items, projects, or functions by the Organization's Executive Director.
20. 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.
21. 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**

22. Accounts receivable terms are net ninety (90) days from the date of invoice.
23. 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**

24. The Executive Director may acquire a credit card to make purchases for travel, accommodation, and other expenses related to their duties on behalf of the Organization.
25. Credit card holders will be responsible for all charges made on credit cards issued in their name.
26. 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.
27. 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 the Organization's credit card.

28. Credit cards are not to be used for any personal expenses.
29. 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.
30. Under no circumstances are cash advances to be drawn on Organization credit cards.
31. In addition, the following individuals have credit card responsibilities:
  - a) Cardholders must (Executive Director):
    - i. not allow another person to use the card
    - ii. protect the pin number of the card
    - iii. only purchase within the credit limit of the card
    - iv. notify the credit card company if the card is lost or stolen
    - v. keep the card with them at all times, or in a secure location
    - vi. forward to the Organization's Administrative Coordinator, on a monthly basis, all receipts for expenses charged to the card in the previous month
    - vii. surrender the credit card upon the cardholder ceasing to perform the role for which the card was issued

**Expense Claims**

32. Representatives may submit expense claims to the Executive Director (or designate) for personal expenses incurred in performing their duties for the Organization. Generally, only expenses pre-approved by the Organization's Executive Director (or designate) will be reimbursed - and only within three months of the incurred expense. Expense claims must include:
  - a) The exact amount for 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 (except for mileage)
33. Association 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 Association Executive Director.
34. Generally, no cash advances will be provided. If there is a need for a cash advance, a request must be made to the Executive Director for approval of the advance.
35. Expenses will be reimbursed in amounts outlined in the following table:

<b>Expense</b>	<b>Rate</b>	<b>Notes</b>
Travel – Personal Vehicle Mileage	\$0.50 per kilometer	
Travel – Air	Lowest economy	Prior approval required
Meals	E.D./President approval	Varies as per program/destination
Accommodation	Double occupancy	
Accommodation	Single occupancy	Approved by Executive Director
Accommodation with Friends / Family	50% coverage	President / Staff = Single occupancy
Incidental expenses	Actual cost	Receipt required

*The expense schedule for honorariums, meals, mileage, etc., will be reviewed/updated on an annual basis as part of the budget process.*

36. The Organization will not reimburse for costs above the specified rates without prior approval of the Executive Director. Where costs above the specified rates are approved, receipts must be provided.

#### **Travel and Accommodation Expenses**

37. 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 Executive Director. In no circumstance will fares above the economy fare be reimbursed. Car travel will be reimbursed at the mileage rate specified in this Policy and will not exceed cost of available economy airfare. Car rentals will be reimbursed where authorized. For car rentals outside the Province or car rentals travelling outside the Province, it is the responsibility of the renter to ensure that adequate Collision, Comprehensive and Third Party Liability Insurance properly covers the vehicle purchased through MPI.
38. Whenever possible, the Representatives who are attending the same event should travel together. Only the driver may submit car-related expenses.
39. 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. Accommodation will be reimbursed based on single occupancy if approved by the Executive Director.
40. The Organization will not provide reimbursement for parking tickets, speeding tickets or fines for any other violations.

#### **Entertainment Expense**

41. 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. A senior 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.

#### **Other Expenses**

42. Organization Representatives may be reimbursed for long distance telephone calls provided the expenses were the 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.
43. 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**

44. 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.
45. 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**

46. 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 e-transfer.

**Replacement Cheques**

47. Lost or missing cheques will not be re-issued until after the next applicable month end reconciliation has taken place.
48. Cheques that need to be replaced due to loss will be assessed a five dollar (\$5.00) administration fee.
49. Lost or missing cheques that have not been claimed by the Organization's year end will not be reissued.

**Equity/Operating Reserve**

50. The target for the minimum operating reserve fund or minimum equity level is 6 months of the Association's average operating costs. The calculation of average monthly operating costs includes all ongoing committed expenses, for example salaries & benefits, rent, storage, office admin costs like phones, internet, and set programming costs. The amount of the equity / operating reserve will be reviewed annually after the fiscal budget is approved.

**Review and Approval**

This policy was approved by the Board of Directors on January 29, 2025 and will be reviewed by the Board as required.