



## **Financial Management and Internal Controls Policy**

(new as of December 4, 2025)

### **1. Purpose**

The purpose of this policy is to establish clear financial management practices and internal controls to ensure the safeguarding of Squash Alberta's assets, the accuracy and reliability of financial information, and compliance with applicable laws, regulations, and funding agreements.

### **2. Scope**

This policy applies to the Executive Director (ED), Contract Accountants (CA), Treasurer, Board of Directors, and all staff handling financial transactions on behalf of the Organization.

### **3. Roles and Responsibilities**

#### **Executive Director (ED)**

- Oversees day-to-day financial operations.
- Approves all expenditures.
- Deposits cheques received by mail and communicates deposit details to the CAs.
- Initiates EFTs, wire transfers, and payroll transactions using the bank's secure token.
- Follows up on overdue accounts receivable.

#### **Contract Accountants (CA)**

- Perform bookkeeping and accounting services.
- Maintain QBO financial records.
- Record deposits, issue invoices, upload supporting documentation, and process payments as approved.

- Conduct monthly reconciliations.
- Only one CA has access to the bank account for payment processing.

#### **Treasurer**

- Reviews monthly financial reports, reconciliations, and banking activity.
- Oversees investment transactions jointly with the ED.
- Raises financial control concerns to the Board in a timely matter.
- Provides timely updates and reports to the Board at regularly scheduled Board meetings

#### **Board of Directors**

- Provide oversight through regular review of financial statements.
  - Ensure controls remain appropriate and effective.
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### **4. Revenue Management**

#### **4.1 Mail and Cheque Handling**

- All organizational mail is sent to a secure post office box.
- The ED retrieves the mail and deposits all cheques directly to the Organization's bank.
- The ED notifies the CAs of each deposit so it can be recorded in QBO with proper documentation.

#### **4.2 Invoicing and Accounts Receivable**

- The ED provides all invoicing details to the CAs.
- The CAs prepare and send invoices through QBO.
- The ED is responsible for monitoring and following up on overdue accounts.

#### **4.3 Membership and Program Revenue**

- Membership and program fees processed through Club Locker/Stripe are received via direct deposit.
- CAs perform monthly reconciliations and allocate revenue based on Stripe reports.

#### **4.4 Grant Revenue**

- Grants received electronically or by cheque are recorded by the CAs.
  - A dedicated spreadsheet is maintained to track revenue recognition.
  - QBO Projects are used to track grant costs and revenue recognition for reporting and audit purposes.
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## **5. Expense Management**

### **5.1 Approval of Expenses**

- All expenses must be reviewed and approved by the ED prior to payment.
- Where expenses are incurred by the ED, both the Treasurer and President will be cc'd on the submission to the accountant for review and approval. The Executive Director will provide written context for the expenses submitted and where indicated/required, include an event budget(s) to confirm where the expenses being incurred fit into the specific event(s) budget(s).
- Approval is documented through email or written confirmation and attached to the QBO record.

### **5.2 Recurring Payments**

- Pre-authorized debits (PADs) and recurring credit card payments may be set up for recurring expenses.

### **5.3 Non-Recurring Payments**

- The ED sends an email approving payment to the CAs.
- The CAs record the transaction in QBO and attach supporting invoices and approval.
- The CAs process payments through the bank except where restricted.

### **5.4 Payment Methods and Controls**

- **E-Transfers:** May be initiated by either the ED or the authorized CA; limited to a \$10,000 daily maximum.
- **EFTs, Wire Transfers, Payroll:** Only the ED may initiate these transactions, using a secure bank token.
- **Government Payments (GST/Payroll):** May be completed online by the CAs.

### **5.5 Credit Card Controls**

- The Organization maintains two credit cards.

- Staff using credit cards must submit receipts to the CAs.
  - The CAs attach receipts to QBO transactions and follow up on missing documentation.
  - Any unsubstantiated charges are investigated and reviewed with the ED.
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## **6. Contract Accountant Controls**

- The Organization contracts bookkeeping to a CPA firm.
  - Only one CA has direct access to the Organization's bank account; other team members are limited to QBO access.
  - All financial entries, reconciliations, and adjustments are subject to review by the senior CA monthly.
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## **7. Financial Reviews and Reconciliations**

### **7.1 Monthly Reviews**

- All bank accounts and credit card accounts are reconciled monthly by the CAs.
- Completed reconciliations are reviewed by the Treasurer and ED.

### **7.2 Internal Oversight**

- The Treasurer performs monthly reviews of financial statements and QBO activity.
- Any questions or discrepancies are discussed with the CAs and/or ED.

### **7.3 External Review/Audit**

- The Organization undergoes an annual independent audit as required by funding agreements.
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## **8. Investment Controls**

- Investment transactions may only be executed jointly by the ED and Treasurer.
  - All investment decisions require supporting documentation and must comply with the Organization's investment guidelines.
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## **9. Recordkeeping and Documentation**

- All invoices, receipts, approvals, and supporting financial documentation must be uploaded and attached to the appropriate QBO transaction.
  - Records shall be stored according to CRA and funding-agreement retention guidelines (typically seven years).
  - Financial records must be accessible for Board, audit, or compliance review.
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#### **10. Fraud Prevention and Safeguards**

- Duties are segregated between authorization (ED), recordkeeping (CAs), and oversight (Treasurer/Board).
  - Bank access is restricted and monitored.
  - Payment limits and secure tokens are used for high-risk transactions.
  - All unusual or suspicious activities must be reported immediately to the Board Chair and Treasurer.
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#### **11. Budgeting and Financial Planning**

- The ED, CA, and Treasurer jointly prepare an annual operating budget for the upcoming fiscal year.
- The draft budget is reviewed and submitted to the Board of Directors for approval prior early in the fiscal year.
- The ED, Treasurer, and CAs review the quarterly results, identify significant variances, and recommend any required adjustments.

#### **12. Policy Review**

This policy will be reviewed at least every two years or sooner if material changes occur in organizational processes, staffing, or banking systems.