

Alberta Council: Financial Best Practices

June 2017

Purpose

All unit, district, area and provincial treasurers should be aware of and understand the financial policies and expectations of Girl Guides of Canada. This document provides a summary of key information to help support financial best practices.

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National Financial Guidance & Policies

Financial Year

The financial year is January 1 to December 31.

Governance Policies

Financial guidance and policies are contained within the GGC Governance Manual. The Governance Policies are available on Member Zone – Admin – Bylaws & Governance Policies. Key areas of focus:

- Fund Raising (01-19-01)
- Financial Stewardship (03-04-01)
 - Every council shall prepare an annual budget by October 31
 - Mid-year review – June 30 financials
 - Unrestricted and internally restricted net assets (funds not set aside for trips/travel/significant events) should be **no less than 3 months** and **no more than 12 months** of operating expenses (total expenses less funds paid for cookies)
 - Suspicion of Financial Misconduct/Misappropriation Guidelines
- Investments (03-05-01)
- Short-term investments (03-06-01)

Guiding Essentials Financial Information

Guiding Essentials is available on Member Zone – About Guiding – Guiding Essentials. Key areas of focus:

- Section 8.0 Finance:
 - 8.1 Financial Record Keeping – these principles align with the Standard Financial Reporting Manual
 - 8.2 Fundraising

Standard Financial Reporting Manual

The Standard Financial Reporting Manual was developed to assist Guiders in managing and accounting for the funds they have been entrusted with. The manual provides planning and reporting tools to support a standardized reporting approach across units, districts, areas and provinces. The manual is available on Member Zone – Admin – Financial.

ALL MEMBERS INVOLVED WITH THE PREPARATION AND/OR REVIEW OF FINANCIAL INFORMATION MUST HAVE READ AND BE FAMILIAR WITH THE INFORMATION CONTAINED IN THE FINANCIAL REPORTING MANUAL.

Signing Authorities

Bank Accounts

As per GGC requirements, all cheques must contain dual signatures for authorization. At least two members at the guiding level associated with the account should have signing authority. In addition, a member from the parent council (commissioner or their designate) must have signing authority on EACH account.

For example:

- A unit account would have 2 guiders and the district commissioner
- A district account would have the district commissioner, a member of council or the district treasurer and the area commissioner or their designate
- An area account would have the area commissioner, a member of council or the area treasurer and the provincial commissioner or their designate

Contracts

When it is necessary to enter into a contract for professional or commercial services (e.g. rental of camp equipment, boats, canoes, cars, professional guides or instructors, contractors etc.) the contract must be signed by an approved Provincial Council delegate. Contracts are to be forwarded via email to the following addresses dependent on your location:

North Areas - contracts.north@albertagirlguides.com – serving Aurora Adventures Area, Edmonton Area, Michener Area, Peace River Area, Tamarac Area and Woodsmoke Area.

South Areas - contracts.south@albertagirlguides.com – serving Calgary Area, Chinook Area, Cypress Hills Area, Parkland Area and Prairie Rose Area.

If the contract requires a signature on an original document (please verify that this is actually necessary) then please mail the contract to the Alberta Council office, attn: Contracts, and it will be dealt with at that location.

Insurance certificates required for contracts can be obtained by completing a Request for Proof of Insurance (INS.02) available on the Girl Guides of Canada Forms site.

Budgets

Area Budgets are due by October 31.

Districts are required to prepare annual budgets for review by Area Council.

Units are strongly encouraged to prepare annual budgets.

Financial Record Keeping Requirements

Each Unit and Trefoil Guild is required to meet the following financial requirements:

- Follow the national standards as set out in the Standard Financial Reporting Manual

- Ensure all Girl Guide of Canada Accounts require dual authorizations for withdrawals from the account
- Maintain a financial ledger supporting each financial transaction that occurs
- Ensure appropriate documentation exists and is filed to support each financial transaction including receipts, deposit slips, etc.
- Prepare monthly bank reconciliations

Each Area and District is required to meet the following financial requirements:

- Follow the national standards as set out in the Standard Financial Reporting Manual
- Ensure all Girl Guide of Canada Accounts require dual authorizations for withdrawals from the account
- Prepare an annual financial budget for the period January 1 to December 31
- Maintain a financial ledger supporting each financial transaction that occurs
- Ensure appropriate documentation exists and is filed to support each financial transaction including receipts, deposit slips, etc.
- Prepare monthly bank reconciliations
- Ensure any specific financial requirements are formalized within council policies, approved via a motion by the council and maintained on record(s) which are easily obtainable by council members

Record Keeping Tips

- Track funds received on a revenue tracking sheet or through copies of fund receipts and staple the supporting documentation to the bank deposit slip
- Staple receipts to the related expense claim form
- Staple supporting documentation to the corresponding bank statement

Interim Financial Reporting

Each unit, district and guild is required to submit a Financial Report outlining year-to-date revenues and expenses (Statement of Revenue and Expenses) along with a copy of the June bank statement for each bank account. This includes all unit accounts, district accounts, travel accounts, and investments. These are provided to the Area.

Annual Financial Reporting – Units and Districts

The annual financial reporting period runs from January 1 to December 31.

Unit reports must be completed and submitted, with all supporting financial ledgers, documentation and reconciliations, to their District on an annual basis on or at the day requested for review.

District and Trefoil Guild reports must be completed and submitted, with all supporting financial ledgers, documentation and reconciliations, to Area on an annual basis on or at the day requested for review.

Reporting Package Details:

- Financial Record Keeping Form (Ledger)
- Bank Statements and Bank Reconciliations

- Cheque book or stubs
- Deposit book or slips
- Receipt book or slips
- Summary records for cookies, events, camps, etc.
- Copy of approved FR.1s and SG.8s
- Completed Annual Financial Report
- Financial Review Checklist with the front page completed

Additional Package Details – Districts Only

- Meeting minutes or motion book to support financial motions and fundraising approval
- Photocopy of the reviewed Unit Financial Report, December 31 Bank Statement and Financial Review Checklist. This will be reviewed at Area level then submitted back to the District to maintain for their records.

Annual Financial Reporting – Areas

Areas with a gross revenue less than \$100,000 must have their year-end financial statements reviewed. This review can be completed by anyone who has knowledge of the GGC Standard Financial Reporting requirements, does not have signing authority on the account and is not related to someone who has signing authority on the account.

Areas with a gross revenue of \$100,000 or greater must submit year-end financial statements audited/reviewed by a CPA who is unrelated to any officer of the area council. This is a compliance requirement of the Charitable Fund-raising Act.

Reporting Package Details:

- December 31 Bank Statement and Bank Reconciliation
- Copy of approved FR.1s
- Completed / Audited Annual Financial Report
- Signed Financial Review Checklist / Audit Review or Audit Report
- Meeting minutes or motion book to support financial motions and fundraising approval
- Photocopy of the reviewed District Financial Report, December 31 Bank Statement and Financial Review Checklist.
- Compliance report signed by the Area Commissioner evidencing the oversight of the Unit financial reports.