



## **Financial Management Policy**

This policy of the Bulkley Valley Cross Country Ski Club (BVCCSC or the Club) has been approved by the BVCCSC Board of Directors (Board) on March 9, 2017. It replaces the Financial Management Policy dated February 1, 2009.

### **Definitions:**

**Fiscal year:** The Club's fiscal year is July 1 to June 30.

**Program:** A Club program consists of related club activities which are managed together under a single program budget with delegated decision-making. (Programs listed below)

**Budget:** A budget is a plan of estimated income and expense for the year; usually prepared before the start of the fiscal year and used as a base for comparison with actuals. Budgets can be corrected or updated during the year to reflect new information.

**Forecast:** A forecast during the fiscal year is an estimate of total income and expenses for the year that relies on reported actual finances to date plus expectations for the remainder of the year.

**Responsible Director:** The Board may assign a director responsible for a program. That director will monitor operations within the program and support any key positions. The Responsible Director is not necessarily delegated decision-making for the program budget.

### **Policy: Financial Management**

The following system of financial planning and management will be used by the BVCCSC to ensure that the Club's financial resources are appropriately budgeted, accounted for, and reported out to the membership and partners.

- The Board is ultimately responsible for the financial management of all club activities.
- For each fiscal year, the Board will approve a budget for each program and for the club as a whole. The Board may approve revisions to budgets.
- The finances of each program will be tracked separately in our bookkeeping system but the funds for each program will be deposited in and spent from consolidated funds controlled by the Board.
- Tracking of finances is the responsibility of the Treasurer with support from a paid Bookkeeper.



- Each year, a Board decision will designate who has signing authority for cheques. Cheques will require two signatures. Online payments to Revenue Canada will require only the Treasurer's authorization.
- The Board may delegate the management of a program budget (spending decisions and budget monitoring) to a designated person(s).
- The person(s) designated to manage a program budget is responsible for:
  - ensuring program income and expense are appropriately tracked in the club's bookkeeping system using procedures established by the Treasurer (e.g. marking receipts and invoices with information to allow allocation to program budget lines).
  - monitoring program income and expense and reporting significant variances from the approved program budget to the Board via the Responsible Director.
  - periodically forecasting program income and expense for the rest of the fiscal year and reporting any concerns to the Board via the Responsible Director.
- The Responsible Director for each program will ensure that the program budget is being managed in accordance with this policy and will keep the Board informed of the general financial status of the program and any significant concerns.
- The Treasurer will coordinate all grant applications and requests for support from businesses to avoid duplicated efforts across program areas and to achieve best value for the club.

### **Restricted funds**

By Board decision, available money may be allocated to a restricted fund. Restricted funds are intended for major expenses that are beyond the normal activities funded by program budgets. As such, these funds are considered unavailable for program budgets unless a Board decision releases funds into a program budget or a special project budget. The following are ongoing restricted funds:

- Buildings Restricted Fund – for major repairs (e.g. roof replacement) and new or replacement buildings.
- Track setter Restricted Fund – for purchase of a track setter or other major trail equipment or major repairs.

### **Principles**

- At the program level and for the club as a whole, financial decisions will be made consistent with the approved budget and in a way that effectively supports



program and club objectives.

- Program budgets should seek to balance the program’s overall income and expense (break-even principle).
- Program areas may pursue fundraising for targeted purposes.
- An end-of-year surplus in any program other than Nordic Centre will, by default, be available for use at the Board’s discretion. Program decision-makers can request Board approval to carry some or all of the surplus into the program’s next year to support a specific purpose such as a planned activity or as start-up funds. Surplus from Nordic Centre activities will normally be allocated to the building and/or track setter restricted funds.
- Unrestricted surplus funds for the Club as a whole should ideally be no more than 50% of the Club’s total annual expenses.
- Variances within program budgets do not require board approval if the forecasted net income/loss for the program has not changed significantly.

### Programs

The following table identifies which club activities will have program budgets. The Board may delegate financial management of program budgets to a person(s) who will normally be a decision-maker(s) for the program.

| PROGRAM   | DECISION-MAKERS  | FINANCIAL MANAGEMENT  |
|---|--|---|
| Nordic Centre<br>Develop, maintain & operate ski trails, lights, buildings.                 | Nordic Centre Director with input from track setters, buildings manager and advice from the Board  | Program budget with income primarily from user fees (day tickets and season passes).  |
| Membership (Club)<br>Includes:<br>Membership activities<br>Communications<br>Administration | Communications:<br>Responsible Director<br>Administration:<br>President & Secretary<br>Fun events:<br>Responsible Director(s) & Event Coordinators | Program budget with income from membership fees, grants, sponsorships and budget surpluses from events, projects & programs.                              |
| Events (Club)<br>races, clinics, socials.   | Events Director plus Race Committee or event coordinator   | Program budget consists of event-specific incomes and expenses.<br>The Events Director will strive to balance total income and expense across all events. |



The following **Nordic Skills Development Programs** will be run cooperatively with the intention of balancing total income and expense across all NSDP programs and strive for long-term financial sustainability of the programs. The NSDP Committee may establish policies to support and direct program activities.

| <b>PROGRAM</b>              | <b>DECISION-MAKERS</b>   | <b>FINANCIAL MANAGEMENT</b>  |
|-----------------------------|--|--|
| NSDP Support                | NSDP Committee <ul style="list-style-type: none"> <li>• NSDP Responsible Director</li> <li>• Head Coach</li> <li>• Representatives from Athlete Development, Biathlon, Rabbits, Ski S’Kool, Masters, Ski Boosters, Training, Wax</li> </ul> The paid coach is supervised by the Coach Management Committee | Income will come from grants, sponsorships, some fundraising and a portion of program fees (not necessarily internally transferred). Expenses include paid coach, waxing, training and Ski Boosters. |
| Athlete Development Program | Coaches Committee <ul style="list-style-type: none"> <li>• Head Coach (program lead)</li> <li>• Rep(s) from each ADP component</li> </ul>  | Program budget with income from fees, grants, sponsorships and fundraising.  |
| Biathlon Program            | Biathlon Committee <ul style="list-style-type: none"> <li>• Biathlon Head Coach (program lead)</li> <li>• Rep(s) from each Biathlon component</li> </ul>   | Program budget with income from fees, grants, sponsorships and fundraising.  |
| Rabbit Program              | Rabbit Coordinator (with input from Rabbit leaders and advice from Head Coach or NSDP Committee)   | Program budget with income primarily from fees.  |
| Ski S’Kool                  | Ski S’Kool Coordinator (with advice from Head Coach or NSDP Committee)   | Program budget with income primarily from fees.  |
| Masters Drop-In             | Masters Coordinator (with advice from Head Coach and NSDP Committee)   | Program budget with income from drop-in fees.  |