



## Financial Management Policy

### Definitions:

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

Department: A department consists of related club activities which are managed together under a single department budget with delegated decision-making. (Departments 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.

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 to be responsible for a department. That director will monitor operations within the department and support any key positions

### 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 department and for the club as a whole. The Board may approve revisions to budgets.
- The finances of each department 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 department budget (spending decisions and budget monitoring) to a designated person(s).

- The person(s) designated to manage a department budget is responsible for:
  - ensuring department 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 bookkeeping accounts).
  - monitoring department income and expense and reporting significant variances from the approved department budget to the Board via the Responsible Director.
  - periodically forecasting department 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 department will ensure that the department budget is being managed in accordance with this policy and will inform the Board of the general financial status of the department and any significant concerns.

### **Reserve funds**

By Board decision, available money may be allocated to a contingency reserve or a restricted reserve. Contingency reserves are available for unforeseen or planned department expenses beyond what can be funded by operational department revenue. Restricted reserves are intended for specific major expenses. As such, restricted reserves are unavailable for department budgets unless a Board decision releases funds into a department budget or an alternate reserve.

### **Principles**

- At the department level and for the club as a whole, financial decisions will be made consistent with the approved budget and in a way that effectively support department and club objectives.
- Department budgets should seek to balance the department's overall income and expense (break-even principle).
- Department areas may pursue fundraising for targeted purposes.
- An end-of-year surplus in any department other than Nordic Centre will, by default, be available for use at the Board's discretion. A department's responsible director can request Board approval to allocate some or all of the department's surplus into contingency reserve for a specific purpose or as general contingency. Surplus from Nordic Centre activities must be allocated to a reserve fund that will be used for the Nordic Centre (i.e. trail fees must be used only for Nordic Centre expenses).
- To retain eligibility for grants, unrestricted reserves and other cash on hand for the Club as a whole should not exceed 50% of the total operating

budget. At the department level, each department decision-maker should ensure that unrestricted reserves at year-end do not exceed 50% of the department's operational budget.

- Variances within department budgets do not require board approval if the forecasted total income/loss for the program has not changed significantly.

## Departments

The following table identifies which club activities will have department budgets. The Board may delegate financial management of department budgets to a person(s).

<b>Department</b>	<b>DECISION-MAKERS</b>	<b>FINANCIAL MANAGEMENT</b>
Nordic Centre Develop, maintain & operate ski trails, lights, buildings.	Nordic Centre Director with input from General Manager, key volunteers and advice from the Board	Department budget with income primarily from user fees (daytickets and season passes); Grants and sponsorships may support operations and/or capital.
Club Membership activities Communications Administration	Communications: Responsible Director Administration: President & Secretary	Department budget with income from membership fees, grants, sponsorships and budget surpluses from departments.
Events (Club) races, clinics, socials.	Events Director plus Race Committee or event coordinators	Department budget consists of event-specific incomes and expenses. 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, fundraising and a portion of program fees (not necessarily internally transferred).
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 from fees and grants.

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