



Inglewood Community Association

PRIVACY POLICY

Policy type: Board Governance	Number: BG-01
Policy name: Financial Policies	Original effective date: <i>11-07-2024</i> Date of last amendment:

This document contains the key Financial Policies of the Inglewood Community Association:

- Property, Plant & Equipment
- Annual Budget
- Authority
- Funding Base
- Financial Filings
- Financial Reporting
- Insurance
- Internal Controls
- Risk Management
- Investment of Funds
- Staffing

The glossary contained at the end of the document includes definitions of key terms.

Property, Plant & Equipment

Policy Statement:

The Association adheres to Canadian generally accepted accounting principles for the valuation, amortization, and management of Property, Plant, and Equipment (PPE).

Best Practices to Be Achieved:

Valuation and Amortization:

1. **Valuation at Cost:** Assets are valued at cost, including purchase price, acquisition costs, installation, and associated fees.
2. **Amortization Rates:** PPE amortization follows the prescribed rates: Buildings (20 years), Furniture and Equipment (5 years), Computer Hardware (3 years), and variable rates for other equipment based on their useful life.
3. **Consistent Application:** PPE amortization aligns with Canadian generally accepted accounting principles to avoid material misstatements.

Capitalization Criteria:

1. **Expense or Capitalize:** Evaluate expenses for PPE based on Section 4430 of the CICA Handbook:
 - a. Organizations with annual revenues less than \$500,000 can expense acquired PPE in the period they are acquired.
 - b. Disclosure of the policy, unrecorded major PPE categories, and the amount expensed in the current period is mandatory.

Procedures:

PPE Purchases and Record-Keeping:

- **Budget Aligned Purchases:** PPE purchases align with the capital budget and require prior approval from the Board. **Quotation Requirement:** Purchases exceeding \$7,500 require three quotations before seeking Board approval.
- **Quotation Acceptance:** Quality of goods and any associated services such as installation, warranty and equipment servicing should factor into acceptance of a quote. If a favoured quote is not the lowest in price, these reasons must also be presented to the board and bundled into the Board's approval.
- **Recording PPE Values:** Items exceeding \$500 are recorded as PPE and amortized over their estimated useful life; items below this threshold are expensed.
- **Asset Register Maintenance:** Maintain an updated list of PPE items, including purchase details and costs. Updated list of PPE items should be retained by the bookkeeper.,
- **Disposal Protocol:** Upon decommissioning, remove obsolete PPE from the list and accounting records.

Notes:

- **Residual Value:** Any residual value is deducted from the cost of a capital asset before amortization.
- **Useful Life Definition:** Useful life estimates the expected period for which an asset will be utilized by the organization.
- **Amortization Practice:** Rational and systematic amortization of assets is recognized as an expense in the organization's financial statements.

Annual Budget

Policy Statement:

The Board ensures the mitigation of financial risks through the approval and vigilant oversight of Annual Operating and Capital Budgets.

Best Practices to Be Achieved:

Budget Approval:

1. **Realistic Financial Projections:** Budgets endorsed by the Board incorporate practical revenue and expense projections.
2. **Program-Level Planning:** Establish a methodology for program-level budget planning and ongoing monitoring. This should fall under the Senior Staff Person and does not require board approval, but overall amounts should align within the annual budget.
3. **Resource-Outcome Alignment:** Ensure budget alignment with available resources, integrating staff input to support program functions, administration, evaluation, and fundraising.

Procedures:

Budget Planning and Approval Process:

- **Fiscal Year Start:** The Association's fiscal year begins on 1st of April every year.
- **Board-Directed Planning:** Business plans formulated by the Board guide committees and staff to shape annual work plans and budgets.
- **Initiation of Budget Planning:** The budget planning phase starts in the first quarter (January), with a draft budget presented to the Board before fiscal year-end for approval by end of March.
- **Financial Recommendation:** After thorough evaluation, the Treasurer presents the budget to the Board for consideration and approval.
- **Capital Budget Development:** The finance committee collaborates with stakeholders to outline the capital budget and proposes recommendations to the Board for approval.
- **Capital Expenditure Approval:** Board approval is mandatory for capital item expenditures following the contracting policy guidelines.

Authority

Policy Statement:

The Board of Directors holds the ultimate responsibility for overseeing the financial management across all organizational activities.

Best Practices to Be Achieved:

Governance Principles:

1. **Decentralized Authority:** No single position retains absolute control over financial matters.
2. **Checks and Balances:** Implement checks and balances to minimize organizational risk exposure.

Procedures:

Authorization Framework:

- **Financial Representation:** The designated Senior Staff Person or Treasurer is empowered to act on behalf of the Board concerning urgent financial decisions preceding Board meetings.
- **Day-to-Day Financial Operations:** The Senior Staff Person is accountable for the organization's daily financial management. Their authority includes staff and consultant oversight, bill payments, fund reception, and bank account maintenance
- **Cheque Authorization:** All cheques necessitate the approval of two authorized signatures for issuance.
- **Commitment Authority:** The Senior Staff Person or Treasurer has the mandate to enter into commitments aligned with Board-approved budgets and plans. Commitments exceeding 2 years, should be reviewed and approved by the President or Vice President. The prescribed method to enter into a commitment is through contracts where terms can be reviewed. Contracts exceeding a financial value of \$5,000 or falling outside pre-approved parameters require explicit Board authorization. Commitments in excess of \$50,000 require membership approval via special resolution, if not contemplated in the annual budget.
- **Expense Management:** The designated Senior Staff Person oversees expenditure within the established budget limits. They report any variances and explain the reasons to the Treasurer.
- **Authorization for Expenditures:** Expenditures incurred on behalf of the organization should be within the purview and general accountabilities of the individual incurring these costs. Costs that are regularly paid for, such as salaries and wages, maintenance, do not require special board approval, as approval is implied through prior agreement on terms of employment or contractual requirements. For irregular payments, those that don't happen often or are new to the organization, approval from the Treasurer be required for irregular expenditures over \$1,500 and by the Board for expenditures over \$5,000. Documentation of approval, such as email or Board minutes, is required for irregular expenditures.
- **Reserve Fund Usage:** Any utilization, in excess of \$15,000, of the Board-designated cash reserve fund requires explicit approval from the Board of Directors.

Funding Base

Policy Statement:

The organization aims to sustain adequate revenue streams from diverse sources to effectively support administrative functions, community programs, and asset life cycling.

Best Practices to Be Achieved:

Fund Development and Financial Management:

1. **Strategic Fund Development:** Develop an annual fund development plan aligned with the organization's strategic, operational, and marketing plans.
2. **Cost-Effective Approach:** Engage in fund development activities that maximize cost efficiency.
3. **Compliance and Financial Oversight:** Establish a system to track revenue and expenses, ensuring compliance with government regulations, meeting funder expectations, and enabling effective financial management.
4. **Ethical Standards:** Adhere to the Ethical Fundraising & Financial Accountability Code developed by Imagine Canada. (http://www.imaginecanada.ca/files/www/en/ethicalcode/ethical_code.pdf).

Procedures:

Fund Development Planning:

- **Yearly Fund Development Plan:** Create an annual fund development plan, aligning revenue needs with strategic goals.
- **Donation Solicitation:** Solicit and accept donations from individuals or organizations supporting the association's mission.
- **Transparent Reporting:** Clearly present fundraising activity costs on financial statements and during campaigns for transparency.
- **Donor Relations:** Respect and adhere to donor-imposed restrictions on funds. Acknowledge donors graciously, provide appropriate gratitude, and regularly inform them about ongoing organizational activities.
- **Financial Management:** Ensure that funds are well managed in accordance with the investment policy section of this document.

Financial Data

Policy Statement:

The organization maintains accurate financial records in adherence to Canadian Generally Accepted Accounting Principles (GAAP).

Best Practices to Be Achieved:

Record-Keeping and Oversight:

1. **Independent Reviews:** As required, obtain periodic independent reviews of financial record-keeping methods to ensure accuracy and compliance. Indication from the auditor, Treasurer, and/or the Board with respect to concerns over record-keeping, will generally be considered the catalyst for such review.
2. **Board Approval:** Ensure regular Board approvals of financial statements.
3. **Audits or Reviews:** Conduct annual audits or reviews of financial activities for transparency and accountability.

Procedures:

Accounting System- Financial Recording and Reporting:

- **Standard Accounting System:** Utilize a recognized accounting system for day-to-day transactions across all Association committees and programs.
- **Timely Accounting:** Ensure timely completion of day-to-day accounting.
- **Accrual Accounting:** Employ accrual accounting to furnish the Board with current information for informed decision-making.
- **Monthly Financial Statements:** Provide monthly financial statements to the Treasurer a week before the board meeting of each month, featuring a month-to-date comparison and explanations for significant variances of the monthly budget.
- **Approval of Adjusting Entries:** Seek Treasurer's approval or key accountant for adjusting entries made directly into the general journal.
- **Independent Review:** Each year the financial reports will undergo independent audit.

Financial Documentation- Reporting and Maintenance:

- **Transaction Entry:** Ensure all transactions are duly entered into the accounting system.
- **Documentary Evidence:** Maintain adequate documentation supporting all general entries.
- **Monthly Reports:** Prepare a balance sheet, income statement, and a statement of activities report with a budget comparison monthly.
- **Accrual-Based Records:** Maintain accounting records on an accrual basis to facilitate audited financial statements in accordance with GAAP.

Bank Reconciliations- Account Reconciliation:

- **Reconciliation Completion:** Complete monthly (or end-of-month) bank reconciliations for all Association accounts with necessary adjusting entries in the accounting system.

Documentation Filing- Record Storage and Accessibility:

- **Appropriate Filing System:** Maintain all accounting-related documents systematically for easy access during audits.
- **Legislative Compliance:** Store documentation for the duration mandated by legislation.
- **Meeting Minutes:** Record accurate minutes of board and committee meetings, noting all finance-related items and taking appropriate action.

Auditor Selection- Appointment and Coordination:

- **Appointment Notification:** Notify the appointed auditor post-AGM.
- **Pre-Audit Preparation:** Records are prepared and submitted as per the Auditor's timeline and direction.

- **Documentation Preparation:** Ensure timely completion of engagement letters and other documents required by the auditor.
- **Readiness for Audit:** Ensure all necessary documentation is readily available for the auditor's use when required.

Financial Filings

Policy Statement:

The organization is committed to adhering to all legal requirements by timely filing the necessary legal and financial documents.

Best Practices to Be Achieved:

1. **Comprehensive System:** Maintain a systematic process ensuring the filing and updating of all legal and financial documents as per legal obligations.

Procedures:

Annual Report to the City of Calgary:

- **City of Calgary Reporting:** Submit a report, including audited financial statements and the auditor's management letter for each fiscal year, as per the legal agreement terms between the Association and the City of Calgary.
- **Submission Deadline:** Provide the annual report and statements to the City of Calgary by the designated deadline each year.

Legislative Filings- Reporting to Relevant Authorities:

- **Monthly Payroll Remittances:** Submit monthly payroll remittances to the Canada Revenue Agency (CRA) within CRA mandated time frame.
- **GST Quarterly Filing:** File quarterly GST reports with the Canada Revenue Agency.
- **T4/T4A and Summaries:** Submit T4/T4A and summaries to the CRA by February 28 each year.
- **Corporate Tax Return (T2):** File the corporate tax return (T2) with the CRA within six months of the fiscal year-end.
- **Additional Reports:** File any other reports as identified and required by relevant authorities.
- **Board Members:** Maintain an updated list of board members with the CRA and maintain updated access to the financial accounts with the CRA.

Financial Reporting

Policy Statement:

The association commits to maintaining financial health and viability through timely preparation, utilization, and filing of appropriate financial information.

Best Practices to Be Achieved:

1. **Budget Oversight:** The Board will approve, monitor, and revise the annual budget, aligning it with program outcomes, and facilitating effective operations and evaluation.
2. **Compliance and Asset Usage:** Ensure alignment of organizational asset usage with legal restrictions imposed by donors and directives set by the Board.

Procedures:

- **Annual Audited Financial Statements:** Prepare financial statements following Canadian Generally Accepted Accounting Principles (GAAP), accompanied by external auditors' reports. The Finance Committee oversees the audit process, ensuring timely completion. The annual external audit must commence within six weeks following year-end, and statements and reports presented at the annual general meeting, with auditors appointed annually by the members.
- **Funders Reporting:** Timely submission of reports to funders, adhering to contractual deadlines such as Alberta Gaming requirements. Maintain organized records to facilitate efficient report completion.
- **Board of Directors Reports:** Monthly reports provided to the Board include a summary of actual revenue and expenses compared to the budget per activity, along with a projection of year-end revenue and expenses.

Insurance

Policy Statement:

The association commits to maintaining reasonable and adequate coverage to protect its assets.

Best Practices to Be Achieved:

1. **Coverage Types:** Obtain and maintain General Liability, Director and Officer Insurance, as well as the Workers Compensation Board of Alberta (WCB) for eligible staff. Ensure coverage includes program liability, contractor liability.
2. **Compliance:** Ensure insurance coverage meets minimum requirements set by funders or stakeholders (e.g., City of Calgary Lease or License of Occupation).

Procedures:

- **Insurance Practices:** Maintain a comprehensive liability business policy covering blanket contents, valuable papers, extra expenses, employee dishonesty, crime, and comprehensive general liability for all association operations.
- **Director and Officer Liability:** Include standard errors and omission insurance for Board members in the liability coverage.
- **Policy Review:** The Treasurer conducts a careful review of insurance policies before renewal, ensuring adequacy and compliance.
- **Policy Maintenance:** The Senior Staff Person maintains updated insurance policies in organized files.
- **Compliance with City Requirements:** Ensure the policy meets the City of Calgary's License of Occupation or Lease specifications.
- **Annual Policy Review:** Conduct an annual review by the Finance Committee to ensure coverage appropriateness and update as necessary.

Internal Controls

Policy Statement:

The organization maintains a robust system of internal controls, subject to annual review.

Best Practices to Be Achieved:

1. **Written Financial Policies:** Implement comprehensive written financial policies governing internal control procedures, purchasing practices, reserve funds, compensation, expense account reporting, and earned income.
2. **Monitoring Use of Restricted Funds:** Implement a monitoring system for the use of restricted funds to ensure compliance with contributors' requirements. To monitor restricted funds, ensure that an annual budget of outflows and inflows to the restricted account is created. Responsibility of monitoring will fall within the staff member.

Internal Control Procedures

Cheque Handling:

- Never sign blank cheques. The only exception will be for Bingo as blank cheques are needed.
- Signatories on the bank account must not sign a cheque made out to them.
- Reimbursements to directors/members require receipts and proper authorization for expenditures.
- All reimbursements should be by cheque, have proper authorization to be incurred, and supported by receipts or invoices for approved budget expenditures.
- Issue cheques made out to specific vendors or persons, avoiding cheques made out to "cash". If a cheque is made for petty cash replenishment, then they must include the word "cash".

Check and Balance in Signatories:

- Signing officers must not reside in the same household or be related.
- Those signing cheques should review supporting documents and complete the cheques in full.

Documentation and Record Keeping:

- Maintain duplicate receipts for all contributions and income, ensuring they are pre-numbered. Digital and paper.
- Ensure clear approvals for expenditure types using gaming funds.
- Issue receipts for all received monies.

Budgeting and Reporting:

- Develop operating and cash budgets annually for Board approval.
- Prepare monthly financial reports for Board meetings. The Treasurer will be responsible for preparing a report for the board meeting. The staff member will be responsible for providing the Treasurer with the latest financial information.
- Submit required grant reporting and ensure timely remittances for various tax returns and deductions.
- Properly document and authorize all pay rates, including overtime.

Expenditure/Purchasing Procedures (all amounts in Canadian Dollars). These limits consider the total cost of acquisition, installation, delivery and its ability to be ready use for ICA:

Purchases under \$500:

- Applies to staff members only. Staff members may make purchases of up to \$500 without seeking Senior Staff Person approval.
- Requires approval of the Senior Staff Person.
- Responsibility on the Senior Staff Person to ensure budget compliance.
- Forward invoice copies to the Senior Staff Person for records.

Purchases under \$1,500:

- Applies to the Senior Staff Person only. The Senior Staff Person may make purchases of up to \$1,500 without seeking board approval.
- Responsibility on the Senior Staff Person to ensure budget compliance.

Purchases Over \$1,500:

- Advance approval necessary for purchases exceeding the specified threshold, such as the annual budget.
- Adhere to transparent and open bid requests without unduly restricting competition.
- Avoid fragmentation of purchases to circumvent bid processes.
- Responsibility on the Senior Staff Person to ensure budget compliance.
- Requires approval from the Treasurer, for items that are irregular in nature.

Purchases Over \$5,000:

- Purchases over this amount will be brought forward to the Board for approval.
- Engage in competitive bid procedures for purchase over the specified threshold.
- Adhere to transparent and open bid requests without unduly restricting competition.
- Avoid fragmentation of purchases to circumvent bid processes.

Purchases Over \$30,000:

- Purchases over this amount will be brought forward to the membership for approval, requiring majority approval.
- Engage in competitive bid procedures for purchase over the specified threshold.
- Adhere to transparent and open bid requests without unduly restricting competition.
- Avoid fragmentation of purchases to circumvent bid processes.

Purchases Over \$50,000:

- Purchases over this amount will be brought forward to the membership for approval, via special resolution.
- Engage in competitive bid procedures for purchase over the specified threshold.
- Adhere to transparent and open bid requests without unduly restricting competition.
- Avoid fragmentation of purchases to circumvent bid processes.

Restricted Funds Contributions Handling:

- Record contributions using the accrual method and segregate them as restricted funds.
- Adhere to contributors' requirements regarding the use of funds.
- Match expenses related to contributions as per contributors' requirements.
- Report remaining deferred contributions as a liability in financial statements.

Cash Handling and Cash Withdrawals:

- **Segregation of Duties** - To prevent fraud and ensure accuracy in cash handling, it is crucial to segregate duties among different employees or volunteers. No single individual should be responsible for all aspects of cash handling, from collection to recording and depositing.
 - Cash Collection: One person should collect and count cash, issuing receipts for each transaction.
 - Cash Recording: A different individual should record the cash received in the accounting system or ledger.
 - Cash Depositing: Another person should be responsible for depositing the cash into the association's bank account.
- **Secure Cash Storage and Transport** - Proper storage and transport of cash are essential to minimize the risk of theft or loss.

- **Cash Storage:** All cash should be stored in a secure, locked location, such as a safe or lockbox, with limited access. Only authorized personnel should have access to this storage.
- **Cash Transport:** When transporting cash to the bank, it should be done promptly and by two individuals whenever possible. They should take varying routes and times to avoid establishing a predictable pattern.
- **Daily Deposits:** Cash received should be deposited daily or as soon as possible to minimize the amount of cash kept on the premises.
- **Monthly Reconciliation** - Monthly bank reconciliations should be performed to ensure that the bank statements match the internal records. This task should be conducted by someone not involved in daily cash handling.

Electronic Funds Transfers (EFT):

- All EFT transactions should be authorized and approved by at least two designated individuals (e.g., the Treasurer and the Senior Staff Person) when applicable before processing. This ensures dual control and reduces the risk of unauthorized transactions.
- Each EFT must be supported by proper documentation, such as invoices, receipts, or other relevant documents. The documentation should be reviewed and verified for accuracy and legitimacy before the transfer is initiated.
- Maintain a detailed log of all EFT transactions, including the date, amount, recipient, purpose, and approvers. This log should be regularly reviewed and reconciled with bank statements to ensure accuracy and detect any discrepancies promptly.

Uncashed or Unclaimed Client Refunds:

- **Tracking Unclaimed Refunds:** Maintain a detailed log of all uncashed or unclaimed client refunds, including security deposits. This log should include the client's name, the amount of the refund, the date of issuance, and any attempts made to contact the client.
- **Notification Process:** Implement a process to notify clients of unclaimed refunds. Send at least two reminders, the first within 30 days of the initial refund issuance and the second within 60 days. Ensure that all communication attempts are documented.
- **Handling Unclaimed Funds:** If a refund remains unclaimed after 90 days from the date of issuance, reallocate the funds in accordance with relevant legal and regulatory requirements. This may include transferring the funds to a designated account for unclaimed property or following specific provincial guidelines for unclaimed financial assets.
- **Review and Retention:** Conduct periodic reviews, at least annually, of all unclaimed refunds. Retain records of all unclaimed refunds and the related communication efforts for a minimum of seven years or as required by law. This ensures proper documentation and accountability for audit purposes.

Risk Management

Policy Statement:

The organization commits to prudent financial risk management to safeguard assets, manage surpluses, and optimize investments.

Best Practices to Be Achieved:

1. **Reserve Fund Management:** Maintain a designated reserve fund to mitigate financial uncertainties and address unforeseen expenses.
2. **Surplus Management:** Strategically allocate surplus funds towards organizational objectives or reserve replenishment.
3. **Investment Oversight:** Diligently assess and manage investments, prioritizing safety, liquidity, and returns.

Reserve Fund Establishment:

- Maintain a Contingency Reserve, starting with a minimum of 3 months of expenses plus \$25,000 and replenish it annually with 10% of the surplus.

Surplus Utilization for Reserves:

- In case of emergency expenditures beyond the surplus capacity, the association will allocate a portion of the surplus to reinforce the expenditure.
- Only 10% of the surplus above the reserve level can be used in any given year without approval by the membership.

Investment Management:

- **Investment Strategy Review:** Annually review the investment strategy and asset allocation, adjusting as per market conditions.
- **Adherence to Policy:** Ensure investments adhere to the prescribed diversification and risk parameters.

Surplus Allocation:

- **Investment Allocation Procedure:** Upon surplus determination, the Board should determine the appropriate allocation of surpluses to appropriate strategic initiatives.

Reserve Fund Management:

- **Reserve Fund Assessment:** Evaluate the Contingency Reserve annually to ensure it aligns with the prescribed minimum and supplement as needed.
- **Emergency Utilization Protocol:** In case of emergency expenditure, immediately access the Contingency Reserve and initiate the surplus allocation for replenishment.

Investment of Funds

Policy Statement:

The organization commits to maximizing income from its assets while prioritizing the safeguarding of the investment principal.

Best Practices to Be Achieved:

1. **Continuous Monitoring:** Consistent and thorough monitoring of investments to ensure maximum return on investment.
2. **Cash Flow Assessment:** Regular creation of cash flow statements to ascertain the potential for longer-term investments to reach maturity and optimize returns.
3. **Compliance with Fund Rules:** Investments made using funder or government funds strictly adhere to the regulations governing fund usage.

Investment Strategies:

Utilization of Unrestricted Excess Funds:

- **Conservative Investment:** Excess unrestricted funds will be prudently invested in conservative financial instruments such as T-Bills, GICs, and other interest-bearing accounts to ensure security and moderate returns.

Handling of Restricted Funds:

- **Adherence to Funder Criteria:** Investments of restricted funds will align with the criteria set by funders. Interest earned from these investments will be credited to the respective restricted fund account to maintain compliance with fund restrictions.

Reporting and Oversight:

Quarterly Investment Reports:

- **Reporting:** Regular quarterly reports on investments will be presented to the board. These reports will include details on investment performance, earnings, and compliance with funders' criteria or restrictions. To be done by the Treasurer.

Staffing

Policy Statement:

Employees are regarded as invaluable assets contributing to the operations, vitality, and sustainability of the Association.

Best Practices to Be Achieved:

1. **Fair Compensation:** Staff will receive compensation that aligns with their duties and responsibilities within the Association, as determined by the Senior Staff Person within the limits of the annual budget.
2. **Employee Benefits:** Provision of benefits plans to enhance employee retention. Provision of benefits to be determined by the employee's employment status. The benefits are to be determined by the Senior Staff Person within the limits of the annual budget.
3. **Employment Status:** Employees who work more than 30 hours a week shall be considered full time employees.
4. **Employee Concerns Protocol:** Establishment of a regular process allowing employees to express concerns and resolve disputes.

Procedures:

Time Sheets:

- **Biweekly Time Tracking:** Hourly employees are responsible for biweekly completion of time sheets.
- **Submission Protocol:** Time sheets, dated and signed by employees, must be submitted to the senior staff period authority at the end of each pay period.
- **Requirement for Payroll:** Payroll cheques will only be issued upon submission of a completed time sheet and relevant timecard if needed.
- **Correction of Incomplete Sheets:** Incomplete time sheets will be returned to the employee for necessary corrections before processing.
- **Verification and Payment:** The senior staff person will verify the accuracy of time sheets and manage payroll on a scheduled basis, with itemized deductions on paycheques.

Employee Files:

- **Record Maintenance:** The Association is responsible for maintaining comprehensive personnel files for all employees.
- **File Contents:** Personnel files include records related to employment, compensation, benefits, performance reviews, corrective actions, retirement, and other pertinent documentation.
- **Employee Access Rights:** Current employees have the right to review their personnel file by scheduling an appointment with their supervisor.
- **Notification of Changes:** Employees must promptly inform their supervisors of any personal data changes relevant for employment purposes within 30 days of the change.
- **Confidentiality and Privacy:** The Association respects individual privacy rights and strives to maintain confidentiality regarding employment information.
- **Payroll Confidentiality:** Ensure that all payroll information, including employee salaries, wages, bonuses, and deductions, is kept strictly confidential and accessible only to authorized personnel. Unauthorized disclosure of payroll information is prohibited and subject to disciplinary action.
- **Up-to-Date Job Descriptions:** Ensure that all employees have current job descriptions that accurately reflect their roles, responsibilities, and expectations. These descriptions should be reviewed and updated regularly to remain aligned with the Association's needs and objectives.
- **Annual Performance Reviews:** Conduct formal performance reviews for all employees on an annual basis. These reviews will evaluate employee performance, provide feedback, and set goals for the upcoming year to support professional development and organizational growth.
- **Probationary Period Assessments:** Perform probationary reviews and assessments for new employees two weeks prior to the end of their probationary period. This process will determine their suitability for continued

employment and provide necessary feedback for improvement. Probationary period determined by the Senior Staff Person.

Employee Compensation:

- **Compensation Changes:** The Senior Staff Person is responsible for looking after compensation for waged employees. Changes to compensation are the responsibility of the Senior Staff Person. Changes over 6% of the budget require board approval.

Dispute Resolution Procedure:

Initiation of Dispute Resolution: Employees must inform their immediate supervisor of any dispute within 30 calendar days, detailing the issue, supporting facts, and the requested remedy.

Supervisor Response: The supervisor will respond to the employee within 5 working days of receiving the dispute request, providing notice of the right to appeal.

Board Appeal: If the supervisor's response is unsatisfactory, employees can appeal in writing to the Board of Directors within 5 working days, detailing the issue, reasons for dissatisfaction, and the desired remedy.

HR Forms and Templates:

Personal Tax Credit Return (TD1):

<http://www.cra-arc.gc.ca/E/pbg/tf/td1/README.html>

Record of Employment Link to explanation and form:

http://www.servicecanada.gc.ca/eng/ei/employers/roe_guide.shtml?slnkhttp://www.servicecanada.gc.ca/eng/ei/publications/roeguide.pdf

Record of Employment on the WEB:

http://www.servicecanada.gc.ca/eng/ei/employers/roe_web.shtml#what?slnk

Fillable T4 summary:

<http://www.cra-arc.gc.ca/E/pbg/tf/t4sum/t4sum-fill-08b.pdf>

Fillable T4

http://www.cra-arc.gc.ca/E/pbg/tf/t4_flat/t4flat-fill-06b.pdf

Payroll deductions online calculator:

<http://www.cra-arc.gc.ca/esrvc-srvce/tx/bsnss/pdoc-eng.html>

Remittance Form information and link –monthly payroll deductions:

<http://www.cra-arc.gc.ca/tx/bsnss/tpcs/pyrll/pymnts/frms/menu-eng.html>

Glossary

1. Accounts Payable: Amount owed for services or merchandise received by the organization.
2. Accounts Receivable: Dollars due from customers resulting from selling services or inventory on terms allowing delivery prior to cash payment.
3. Accrual Basis Accounting: Recording expenses when incurred and income when earned, rather than when cash is exchanged.
4. Accruals: Obligations owed but not yet billed.
5. Accrued Expense: Accumulated operational costs not yet due.
6. Accrued Interest: Accumulated interest costs or revenue not yet received or paid.
7. Allocation: Dividing expenses among program, administrative, and fundraising categories based on resource use.
8. Allowance for Doubtful Accounts: Reflects the portion of accounts receivable believed to be uncollectible.
9. Amortization (Depreciation): Recording a decrease in value of property, plant, and equipment over its expected life.
10. Asset: Organization-owned valuable item (cash, securities, equipment, real estate, etc.).
11. Audit: Verified financial report prepared according to accounting principles.
12. Balance Sheet: Shows assets, liabilities, and net assets of an organization at a specific moment.
13. Board-Designated Funds: Funds designated by the Board of Directors for specific purposes.
14. BN/Registration Number: Federal government identification for organizations.
15. Business Consent Form (RC59): Consent to release confidential information about program accounts.
16. By-Laws: Rules and regulations for organization administration and management.
17. Property, Plant & Equipment: Long-life assets like equipment, buildings, and land.
18. Capital Budget: Fiscal plan for proposed Property, Plant & Equipment additions and financing.
19. Capital Expenditure: Money payment to acquire assets like buildings or equipment.
20. Cash Equivalents: Easily convertible funds like bank accounts or short-term investments.
21. Cash Flow: Movement of cash in and out of an organization.
22. Cash Flow Statement: Report of cash movement during a specified time.
23. Cash Basis Accounting: Records transactions when cash is exchanged.
24. Chart of Accounts: List of all accounts used in an accounting system.
25. Charity (Registered): Not-for-profit organization meeting CRA's requirements, exempt from income tax.
26. Collateral: Asset pledged to a lender until loan repayment.
27. Committed Grant: Contribution with a formal notification of future award.
28. Conditional Promise to Give: Donor commitment based on specific requirements.
29. Contribution: Donation, gift, or asset transfer.
30. Current Assets: Assets expected to be cash within twelve months.
31. Current Liabilities: Liabilities due to be paid within twelve months.
32. Deferred Revenue: Income received before it's earned, shown as a liability.
33. Deficit: Expenses exceeding income, resulting in a negative change in Net Assets.
34. Direct Costs: Expenses specifically attributable to a program area.
35. Earned Revenue: Income for services or goods provided, not voluntary contribution.
36. Financial Statements: Summaries of income, expenses, and financial status.
37. Fixed Assets (Property, Plant & Equipment): Long-term physical assets.
38. Fund Accounting: Accounting based on organizational divisions or donor-imposed restrictions.
39. Fund Balance: Difference between Total Assets and Total Liabilities.
40. General Ledger: Tool for recording all transactions in an accounting system.
41. GAAP (Generally Accepted Accounting Principles): Set of norms for financial accuracy and consistency.
42. Governing Documents: Formal documents establishing and governing an organization.

43. Grants: Contributed assets without reciprocal receipt of services or goods.
44. Income Statement: Summarizes income, expenses, and surplus or deficit for a period.
45. In-Kind Contribution: Contribution of goods or services instead of cash.
46. Intangibles: Assets with no physical properties or set values.
47. Internally Restricted Fund: Reserved by the board for specific purposes.
48. Internal Controls: Practices safeguarding assets and ensuring accurate recordkeeping.
49. Inventory: Goods and materials sold for profit.
50. Journal: Record of daily transactions, organized chronologically.
51. Ledger: Group of accounts with common characteristics for data classification and summary.
52. Liabilities: Organization's debts and obligations to pay.
53. Long Term Debt: Portion of a term loan not due within the next year.
54. Material: Significant enough to impact stakeholders' decisions.
55. Misstatement: False or missing information caused by fraud or error.
56. Net Assets (Equity): Difference between total assets and total liabilities.
57. Net Fixed Assets: Value of fixed assets after deduction of accumulated depreciation.
58. Not-for-Profit Organization: Operated for non-profit purposes, not distributing income to individuals.
59. Note Payable: Bank-obligated promissory notes with maturity dates under a year.
60. Notes Receivable: Company-made loans evidenced by promissory notes.
61. Operating Expense: Expenses incurred for organization activities.
62. Operating Reserve: Unrestricted fund balance used for financial stabilization.
63. Overhead: Necessary costs for organization administration.
64. Pledge: Formal commitment to make a contribution of a specific amount.
65. Prepaid Expense: Expense paid before using the good or service.
66. Reconcile: Documenting differences between related records.
67. Release from Restrictions: Transfer of temporarily restricted funds to unrestricted accounts.
68. Reserves: Amount set aside for losses or unexpected expenses.
69. Restricted Funds: Contributions designated for specific uses.
70. Revenue: Income earned from services or goods sold.
71. Secured Loan: Loan backed by pledged collateral.
72. Short Term Debt/Liability: Loan with a final payment within a year.
73. Staff Person: Individual employed within the organization.
74. Senior Staff Person: General Manager or equivalent staff member within the organization.
75. Support: Income from voluntary contributions and grants.
76. Taxable Supply: Supply subject to GST.
77. Temporarily Restricted Funds: Contributions for specific use or time, released from restriction after meeting conditions.
78. Unconditional Promise to Give: Pledge without requiring conditions prior to receiving the contribution.
79. Unrestricted Funds: Contributions without donor restrictions.
80. Working Capital: Current assets minus current liabilities.