

PURPOSE

Arts AccessAbility Network Manitoba (AANM) uses funds received from grants, private sector donors, earned income and fundraising activities to fulfill the goals of the organization.

The policy is designed to:

1. Maintain financial sustainability;
2. Protect the assets of AANM;
3. Ensure the maintenance of accurate records of AANM's financial activities;
4. Provide a framework of operating standards;
5. Ensure compliance with federal, provincial, and municipal reporting requirements

GENERAL FINANCE AND ACCOUNTING

1. AANM's bookkeeping and accounting practices and systems adhere to Canadian generally accepted standards for not-for-profit organizations, to ensure protection from fraud or error and to protect AANM's assets.
2. An annual review of financial statements is conducted.
3. The fiscal year is April 1 through March 31.
4. The Executive Director meets with the bookkeeper and the treasurer to communicate all significant financial information.
5. The Board of Directors approves any exceptions, changes or amendments to the financial policy at a meeting of the members of the Board.
6. The Board of Directors shall conduct a policy review annually.

ADMINISTRATION AND DISTRIBUTION OF DUTIES

1. The organization's financial duties are distributed among the Executive Director, bookkeeper, accountant and treasurer.
2. The Executive Director is responsible for ensuring that adequate bookkeeping and accounting systems are in place.

Hiring Financial Staff

1. The Executive Director is responsible for hiring adequate staff or contract workers to perform the financial duties.
2. An accounting firm is selected by the membership at the Annual General Meeting to conduct the annual financial review.
3. The Executive Director, in consultation with the treasurer, review the bookkeeper and accounting firm for quality and efficiency of professional financial service provided.

Security and Storage

1. The accounting records are updated regularly and subject to the oversight of the Executive Director and the treasurer or their designate on a monthly basis.
2. A filing system accessible to the treasurer and the Executive Director is maintained for all financial records. This filing system is electronic and paper.
3. Current records are completed by the financial team, backed up electronically regularly and stored offsite.
4. AANM maintains physical security of its assets to ensure that only authorized individuals have access to money, equipment, property and other assets.

Role of the Treasurer

1. The responsibility of the treasurer is to ensure the proper management of the organization's finances. The treasurer meets regularly with Executive Director and reports to the Board of Directors.
2. The treasurer, with the support of the Executive Director, presents regular reports to the Board at Board meetings for acceptance and provides a summary of financial activities and discusses any irregularities, concerns or opportunities with the Board.
3. The treasurer presents a quarterly year-to-date performance report with the Executive Director (actuals compared to budget) to the board.



4. Recommendations are made to the Board of Directors, if needed. The treasurer and/or the Executive Director make recommendations to the Board as needed.

The Treasurer and Executive Director Ensure:

1. A Balance Sheet and Statement of Operations is compiled monthly.
2. Insurance and lease agreement are up to date.
3. T4 slips are issued on time.
4. The Annual Charities Return is filed on time.
5. Source Deductions are paid to CRA.
6. GST returns are filed twice annually.

PLANNING AND BUDGETING

1. The Executive Director works in consultation with the treasurer and the bookkeeper to prepare the operating, and projected budgets for the fiscal year. Other budgets are created as needed including special projects and capital.
2. The Board of Directors approves the operating budget annually, prior to the beginning of the fiscal year.
3. The projection to year-end budget is reviewed quarterly at the Board level and adjusted as necessary to reflect changing conditions.
4. The projection to year-end budget is compared to quarterly financial statements in order to monitor the variance.
5. Separate budgets are developed for special projects that straddle fiscal years, portions of which are included in the annual budgets spanning different years.

Financial Statements

The Executive Director reviews the comparison of the annual and projected budgets to the year-to-date actual results on a monthly basis.

Monthly financial statements are finalized and presented to the treasurer on a monthly basis. The treasurer is obligated to inform the Board of Directors if there are insufficient funds or cash flow issues, and work with the Executive Director to adjust the budget if required.

The target minimum unrestricted net surplus for the organization is an average of three months operating costs. The calculation of average monthly operating costs includes all recurring, predictable expenses such as salaries and benefits, rent and utilities, office, core programs and ongoing professional services.

Financial Review

1. The treasurer, Executive Director, and bookkeeper are involved in the annual review.
2. The treasurer presents the financial statements to the Board of Directors for approval.
3. It is then presented by the treasurer to the membership at the Annual General Meeting (AGM).
4. Copies of the annual review engagement are published on the AANM website for the public and posted to Canadian Arts Data (CADAC) for review by funders. Hard copies are available at the AGM or as requested.

BANKING

1. The Executive Director chooses a financial institution that provides the most appropriate services.
2. The Executive Director ensure there are sufficient funds available in the operating account for regular purchases and anticipated expenditures.
3. All transactions using the credit card are for AANM, not for personal use and must be paid in full each month if possible.

Account Reconciliations

The bookkeeper completes bank reconciliations monthly. These statements are provided monthly to the Executive Director and the treasurer.

REVENUE

AANM has a diverse stream of revenue, including operating grants, project



grants, foundations, fundraising and earned income.

Invoicing

AANM staff invoice for newsletter advertisements in advance of services provided. AANM staff ensure invoices are paid in advance of services rendered or within a reasonable timeframe. The Executive Director are responsible for ensuring final payment is collected.

Deposits

1. The Executive Director is responsible for making deposits at AANM's financial institution, which are reviewed by the bookkeeper.
2. In general, deposits are made bi-monthly. All funds are deposited, with the exception of petty cash. A validated deposit record is kept on file.

EXPENSES

Cheque Signing

The Board of Directors appoints signing authority on behalf of the organization, including the Executive Director, the board chair and the treasurer.

1. Pay cheques to staff are signed by the Executive Director.
2. Pay cheques to the Executive Director requires a board signature.
3. Two cheque signers are required for all cheques.
4. Blank cheques are never signed in advance.

Petty Cash

1. A \$200 petty cash amount is maintained by the Executive Director. A petty cash account is kept at the discretion of the Executive Director. Petty cash is used to make change for purchases of memberships or workshops. It is also used to pay for inexpensive goods and services or for purchases requiring cash payment. When funds are low the Executive Director may replenish the account. Documentation for this deposit is recorded and kept on file.
2. A float is used during fundraising events where cash is accepted. Floats are withdrawn by the Executive Director from the chequing account and then deposited back once the event is over.
3. Cash is kept in a locked, fire-resistant box.

Disbursements

Invoices are paid by the Executive Director in a timely manner, ideally before late penalty charges apply.

1. Cheques or e-transfers are issued when receipts are presented to the Executive Director.
2. Mileage expenses are reimbursed yearly or as needed and are based on agreed upon rates. Receipts should be kept or a mileage log should be maintained and submitted to the Executive Director for reimbursement.
3. If AANM assists an artist in selling a work, AANM may charge a commission up to 20 percent of the value of the work.
4. Once a work is sold, the artist will receive their portion of the payment by cheque or e-transfer.

Large Purchases

1. The Executive Director has the authority to approve expenses in accordance with the approved budget.
2. The Executive Director seeks a minimum of two quotations for purchases greater than \$ 2,000 when at least two suppliers are available for that service or product