

SOMBRILLA FINANCE COMMITTEE POLICY PROPOSALS

Submitted Oct. 7, 2002

1. To ensure good fiscal management, Sombrilla's financial affairs are outlined in a three-year and a one-year operating budget, presented to the board at the final board meeting prior to the Annual General Meeting.

2. Cash management

a. Project proposal funding and expenditure strategies must be submitted to the finance committee for presentation to seek board approval.

b. Once Sombrilla has embraced a project in principal, payments cannot be commenced until complete funding has been secured without approval from the Board of Directors.

c. Progress reports from Sombrilla's southern partners are presented to the Secretary for record-keeping and to the Finance Committee for review. The Projects Coordinator will consult with the finance committee on project financial strategy changes as required.

d. A petty cash fund for office expenses may be provided to staff, under supervision of the Treasurer.

3. Banking

a. The board designates by motion who has signing authority. Two signatures are required for each withdrawal.

b. Signatories are board members in good standing.

c. No money should be deposited without notifying the Treasurer promptly or beforehand. All deposits should be made using the Deposit Book.

4. Accounting

a. Bank reconciliation is done on a monthly basis, subsequent to receiving the bank statements, by the Treasurer or someone designated by the Executive Committee

b. On at least a quarterly basis, the Finance Committee reviews the receipts and disbursements and related reports generated by staff, southern partners and the Treasurer.

c. All receipts and disbursements by staff are to be submitted promptly to the Treasurer.

d. Out of pocket expenses incurred doing Sombrilla business are reimbursed only with the approval of the Treasurer, in consultation with the Executive Committee.

e. Salaries are paid on a monthly basis, with an advance on the 15th and the remainder on the final day of the month. Payroll taxes are administered by the Treasurer and remitted to the federal agencies as required.

f. Quarterly financial statements are presented to the Board by the Treasurer.

g. Expenditure of funds falling within the budget of a project are made with approval of the Treasurer and with notification of the board at its next meeting.

h. Extraordinary expenditures of general Sombrilla funds requires board approval.

5. Audit

a. The auditor search is conducted by the Finance Committee.

b. The auditor may be appointed by members at the annual general meeting to hold office until the next annual general meeting. The Board may fill any casual vacancy in the office of the auditor but while such vacancy continues, the surviving or continuing auditor, if any, may act.

c. A yearly audit is commenced by an external auditor to be presented to the Annual Meeting.

6. Money Management

a. Surplus funds are invested by the Treasurer in secure investments, such as GICs and Treasury Bills, in consultation with the Finance Committee and Project Coordinator.

b. Money can be borrowed by Sombrilla, but only with prior Board approval and subject to federal regulations for charitable groups.

7. Tax receipts

a. Receipts for donations to Sombrilla that provide tax exemptions are provided for amounts of \$20 or more, and cannot be applied to money taken as memberships or for goods or services received.

b. Tax receipts are given only for money used for projects or services that are under the supervision of the Board of Directors, or under the supervision of subgroups of Sombrilla, and only when the money is being used in accordance with federal and provincial government regulations and in compliance with Sombrilla's bylaws.