



Manitoba Horse Council Inc.

Financial Policy

Definitions

1. The following terms have these meanings in this Policy:
 - a) “*Representative*” – Individuals employed by, or engaged in activities on behalf of, the Organization including: coaches, convenors, officials, staff members, contract personnel, volunteers, managers, administrators, committee members, and directors and officers of the Organization
 - b) “Manitoba Horse Council Inc. –referred to as “MHC” – The name of the provincial Sport Organization

Purpose

2. The MHC will function as a Not-for-Profit organization and all fundraising, fees, sponsorship, and grants will be used for the on-going development of the sport.
3. The purpose of this Policy is to guide the financial management practices of the MHC.

Budget and Reports

4. With guidance from the Treasurer, the MHC’s Executive Director will draft an annual budget, for review and approval by the Board of Directors. The budget will include the MHC’s anticipated revenues and expenditures for the fiscal year.
5. The Treasurer will, at each meeting of the Board, provide updates on the MHC’s finances. Every three months, a quarterly report, with actual revenues and expenses compared to budget, included with the financial statement and year-to-date balance sheet, will be submitted to the Board of Directors for review and approval.
6. The Treasurer’s report to the Annual General Meeting will include the audited financial statements and commentary, as required by applicable legislation and the by-laws of the MHC.
7. The financial statements of the MHC will be audited by an auditor appointed by the Board, if required by the *Manitoba Corporations Act*.
8. The MHC will file a T2 Corporation Income Tax Return for each fiscal year.
9. The MHC will file the Annual Return and Annual Resolutions with the Manitoba Companies Office.

Fiscal Year

The MHC’s fiscal year, as described in the Bylaws, runs from January 1st to December 31st in each year.

Banking - Revenue

10. All money received by the MHC will be deposited, in the name of the organization, with a reputable financial institution.
11. All revenues received by the MHC will be deposited into an operating account or subsidiary accounts as designated by the Board, and will be used for all necessary authorized operational expenses.
12. Membership fees shall be reviewed annually by the Executive Director who will make recommendations to the Board; which shall approve fees for the next year by no later than the preceding October.

Petty Cash

13. The petty cash float will not exceed \$200 and shall be operated for incidental cash purchases. The cheque request submitted to maintain the float at \$200, will correspond to the petty cash reconciliation.

Signing Officers

14. (a) All contracts, documents, or any other instruments in writing requiring the signature of the Association shall be signed by at least two of the following:
 - a) President
 - b) The Vice President
 - c) The Treasurer
 - d) The Executive Director
14. (b) All employment contracts, and adjustments to employment contracts (e.g. salary changes, hours of work, bonuses), shall be reviewed by the Board and signed by at least two of the signing officers (The Executive Director's employment contract will be signed by the President and either the Vice President or the Treasurer).
15. Any contracts, documents or any other instruments in writing which have been approved in the MHC's budget that are under \$10,000 are not subject to this section and may be executed by the Treasurer or any individual delegated such signing authority by the Board.
16. All cheques in the amount of less than \$10,000 require signatures from any two (2) of the following:
 - a) President
 - b) Treasurer
 - c) The Executive Director
 - d) Staff or Director appointed by the Board as a signing authority
17. All cheques in the amount of \$10,000 or more, require signatures from two (2) signing officers as follows:

One signature from either The President or The Treasurer
AND
The second signature from either a Member of the Board of Directors or The Executive Director
18. Cheques payable to any Signing Officer may not be signed or approved by that Signing Officer.

Electronic Banking

19. In keeping with the established procedures of the bank, internal controls related to online banking are in place to ensure all internet banking transactions comply with the MHC's financial policies. No one person may handle an entire transaction; segregation of duties must be observed, with confirmation requirements followed.
20. Proper retention of all supporting materials must be maintained and securely filed, including print outs of transactions and receipts.
21. Both the Executive Director and the Business Manager should have their own confidential PIN to confirm transactions. This PIN may not, under any circumstances, be shared with anyone.
22. Internet Banking transactions are limited to receipts, administered by the Business Manager, the transfer of funds between MHC accounts and the payment of certain suppliers, who have been approved for electronic payment.
23. In accordance with banking requirements, all electronic banking transactions shall be executed by the Business Manager and confirmed by the Executive Director. In the absence of the Business Manager, the Executive Director will execute the transactions, which will then be confirmed by the President or Treasurer.

Operations Expenses

24. Requests for purchases require the following:
 - a) All purchases and operations expenses anticipated in the budget must be approved by the Executive Director
 - b) Any capital expenditures and operations expenses of more than \$5,000 require the approval of the Board of Directors
25. All expenses will be reviewed by the Executive Director. Expense Reports must include detail on the nature of the expense (budget items, approved projects or functions).
26. Any expenditure not anticipated in the annual budget must be approved, in advance, by the Board of Directors. No payment may be made without authorization of the Board.

Accounts

27. Accounts receivable terms are net thirty (30) days from the date of invoice.
28. Accounts payable will be paid within the terms of the supplier invoice. Where no terms are specified, accounts will be paid within thirty (30) days.

Corporate Credit Card

29. A credit card in the name of the Manitoba Horse Council is not deemed to be necessary for the operational needs of the organization

Out-of-Pocket Expenses

30. Generally, cash advances are not permitted. Only under special circumstances will a cash advance be provided and only with prior approval from the Treasurer.

31. Expenses will be reimbursed in amounts outlined in the following table:

Expense	Maximum Rate	Notes
Travel – Personal Vehicle Mileage Rate	\$0.40 per kilometre	
Travel – Air	Lowest available economy fare	Prior approval required
Breakfast within Province	\$7.00	Receipts not required
Lunch within Province	\$10.00	Receipts not required
Dinner within Province	\$16.00	Receipts not required
Full Day within Province	\$33.00	Receipts not required
Breakfast out of Province	\$10.00	Receipts not required
Lunch out of Province	\$15.00	Receipts not required
Dinner out of Province	\$25.00	Receipts not required
Accommodation	Double occupancy	All personnel unless specified / Receipts Required
Accommodation	Single occupancy	Only the President / Receipts Required
Incidental expenses	Actual cost	Receipts required

32. The MHC will not reimburse for costs above the specified rates without prior approval of the Treasurer. Where costs above the specified rates are approved, receipts must be provided.

Travel and Accommodation Expenses

33. Air travel is to be booked through the MHC whenever possible. Air travel including fares and itineraries is to be approved in advance by the Treasurer. In no circumstance will fares above the economy fare be reimbursed. Car travel will be reimbursed at the mileage rate specified in this Policy and will not exceed cost of available economy airfare. Car rentals will be reimbursed where authorized. Reimbursement will be for compact size cars through an authorized agency at the most economical rate possible. Advance booking fees will be reimbursed where required by the nature and purpose of the travel. For car rentals, it is the responsibility of the renter to ensure that adequate Collision, Comprehensive and Third Party Liability Insurance properly covers the vehicle. Whether insurance is purchased through the rental agency, MPI, or by way of credit card, the renter must ensure that the type of vehicle rented and/or its intent use does not conflict with the rental company or credit card provided insurance guidelines.

34. Whenever possible, the Representatives who are attending the same event should travel together and stay with friends or event organizers where possible. However, only the driver may submit car-related expenses
35. Accommodation will be reimbursed based on single occupancy for the organization's President. Where possible, other accommodation will be reimbursed based on double occupancy. Reimbursement for accommodation will be limited to reasonable amounts in the particular circumstances with consideration given for proximity to business events and for location of events. Hotel receipts will be required for reimbursement, as a charge card slip does not provide sufficient information.
36. The MHC will not provide reimbursement for parking fines, speeding tickets or fines for any other violations.
37. A Representative attending an event where meals are not provided may request a per-diem allowance before attending the event. Per-diem rates are listed in the above table and do not require receipts. Individuals will not be reimbursed where meals are provided as part of an event or where meals are included in the accommodation rate.

Entertainment Expenses

38. Entertainment expenses are reimbursable when the expense is directly related to business. These expenses include the purchase of a meal for a business associate or associates while conducting business. A senior employee shall pay the bill and submit it on his/her expense report. Original receipts must support all claims and include names of attendees and purpose of the expense. Maximum allowable tip amount shall not exceed 15%

Other Out-of-Pocket Expenses

39. MHC Representatives may be reimbursed for long distance telephone calls provided the expenses were the organization-related. Expense claims for telephone expenses must include the name of the person called, his or her connection to the MHC and the purpose of the call. Telephone expenses in excess of \$80.00 will not be reimbursed.
40. Actual and reasonable expenses for items such as parking, telephones and copying may be reimbursed. Receipts must be provided for all such expenses.

Out-of-Pocket Expense Claims and Reimbursement

41. A contingency for the cost of Representatives attending meetings and conferences is included in the annual budget. When approved in advance by the Board, Representatives may submit Expense Reports to the MHC office, for travel, accommodation, meals and attendance at conferences, tournaments and provincial or national meetings. Approval includes a review of the estimated costs. Under some circumstances, re-imbursement may be subject to limits.
42. Representatives may submit expense claims to the MHC office for personal expenses incurred in performing their duties for the MHC. Generally, only pre-approved expenses will be reimbursed - and only within three months of the incurred expense. Expense claims must use the MHC's approved Personal Expense Form and include:
 - a) The date on which the expense occurred
 - b) The business and location of the expense

- c) The exact amount of each separate expense
- d) The purpose of the expense
- e) Signed and dated receipts, showing all taxes, for each expense item

Expense Reports are to be submitted within thirty (30) days. Any Expenses Reports submitted more than thirty days after the fact will be approved for re-imbusement only after review by the President and Treasurer.

Note: To effect quick payment for out-of- pocket expenses, the completed Personal Expense Forms may be submitted to the MHC office by email, together with scanned copies of all receipts. The original receipts MUST be forwarded to the office for accounting records.

Signing Authority – Other Documents

43. In the absence of any resolution to the contrary passed by the Board, the deeds, contracts, securities, bonds and other document(s) requiring the signature of two signing officers. The Board may authorize other persons to sign on behalf of the MHC.

44. Copies of all deeds, contracts, securities, bonds and other document(s) requiring the signature of the MHC will be made available for review by the Board if requested.

NSF Charges

45. The MHC will charge a twenty-five dollar (\$25.00) fee on NSF Cheques. The penalty will be waived if the cheque was returned in error from the Bank (written confirmation required). Waiver of penalty for reasons other than bank error shall be considered on a case-by-case basis. An individual who has a repeat occurrence of a returned cheque will not be allowed to pay with a cheque in the future. Accepted methods of payment will be cash, certified cheque or money order

Replacement Cheques

46. Lost or missing cheques will not be re-issued until after the next applicable month end reconciliation has taken place.

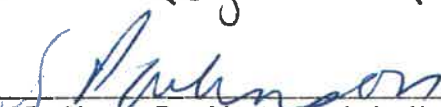
47. Cheques that need to be replaced due to loss will be assessed a ten dollar (\$10.00) administration fee.

48. Lost or missing cheques that have not been claimed by the MHC's year end will not be reissued.

Equity/Operating Reserve

49. The MHC will establish a minimum operating reserve, in cash or convertible bonds, equivalent to three months operating costs of the organisation. The average monthly operating costs are based on the annual fixed costs, including payroll and remittances and all ongoing expenses committed for equipment and services, including rent, storage and office and administration expenses. The amount of the operating reserve will be reviewed annually, as part of the budgeting process.

Date Approved: August 9th, 2018

Signature: 
Sheri Parkinson, President – Manitoba Horse Council Inc.