Financial Policy

Definitions

1. The following terms have these meanings in this Policy:
   a. Approve - Formal board motions and approvals recorded in meeting minutes, confirmations in email or other written communication where the identity of the individual can be reasonably assured. Includes "Signatures" on documents.
   b. Board approval – Approval by a majority vote of the Board recorded through a motion at a meeting, or through clearly stated support in writing (including email).
   c. Officers - The President, Vice-President and Treasurer or as otherwise noted on the Manitoba Corporate Registry.
   d. Organization - Manitoba Freestyle Ski Association Inc.
   e. Representative – Anyone acting on behalf of the Organization, including coaches, volunteers, contractors, board members, and staff.
   f. Signatures - Unless explicitly noted as "wet", this includes digital or electronic authorizations and approvals.
   g. Treasurer (or designate) – The person responsible for day-to-day financial management, documented as "Treasurer" with the Manitoba Companies Office.

Purpose

2. This policy explains how the Manitoba Freestyle Ski Association (the "Organization") manages its money. It ensures that funds are used responsibly, transparently, and in support of our mission to grow freestyle skiing in Manitoba.

Fiscal Year

3. The Organization's fiscal year of June through May of each year follows the dates set out in the By-laws.

Signing Authority

4. The following individuals are authorized to execute various instruments including, but not exclusive to contracts, service agreements, insurance policies, and payments:
   - President
   - Vice President
   - Treasurer
   - A Board-appointed signing authority authorized through a majority vote

Conflict of Interest

5. Board members and Representatives must declare any financial or personal interest in decisions and must not participate in related approvals.

Fraud Prevention

6. No single person may control an entire financial transaction from start to finish.
7. The Treasurer must take at least one annual break from duties, with another Board member temporarily assuming responsibilities.
8. Vendor lists and recurring payments are reviewed annually.

Bank Reconciliation

9. Bank accounts are reconciled by the Treasurer (or designate) each month.
10. A Board member who is not the preparer must review and approve each reconciliation.

Digital Security

11. Online banking access is reviewed annually at minimum, to ensure only authorized individuals have login rights.
12. Passwords and PINs must not be shared and must be stored securely.
13. All financial documents must be stored in secure cloud storage.
14. Access is limited to authorized individuals.
15. Backups must be maintained regularly.
16. Multifactor Authentication must be used wherever possible.

Document Retention

17. Financial records, receipts, contracts, and reports must be kept for 7 years in secure digital storage with controlled access.

Operating Reserve

18. The Organization aims to maintain an operating reserve equal to:
    - Minimum: 3 months of average operating costs
    - Target: 6 months
    - Ideal: 12 months

The reserve level is reviewed annually after the budget is approved.

Budgeting & Financial Reporting

19. The Board approves an annual budget prepared by the Officers that outlines expected revenues and expenses separated by funding source and/or programming as necessary
20. The Association Officers and/or Board of Directors may create restricted funds (e.g., athlete development, equipment) when appropriate.
21. Interim changes to the budget are permitted if deemed necessary and must be approved by the Board through a majority vote.
22. The Treasurer provides quarterly financial reports to the Board, including:
    - Revenues and expenses for the period
    - Balance sheet as at the end of the period
    - An analysis of the financial performance against budget
23. At the Annual General Meeting, the Treasurer (or designate) presents year-end financial statements.
24. The Organization will have its financial statements reviewed or audited (annually) by an external accountant.
25. A T2 corporate tax return is filed each year.
26. A GST "Public Service Bodies' Rebate" is filed for each completed fiscal year; reporting semi-annually - the Organization qualifies as a "Government Funded Organization" being a non-profit organization (NPO) whose percentage of government funding is at least 40% of its total revenues.

Budget Variance Thresholds

27. Revenues exceeding 10% and/or $1000 under the approved budget must be reviewed by the Treasurer and reported to the board of directors.
28. Expenses exceeding 10% and/or $1,000 over the approved budget must be approved by the Board before payment is made. All efforts should be made to avoid binding the association to an agreement in this case, prior to board approval.

Revenue & Accounts Receivable

29. Registration and other program fees are reviewed annually (as part of the budgeting process) by the President, Vice President, and Treasurer, and approved by the Board.
30. All funds received (fees, donations, grants, sponsorships) must be deposited into the Association's bank account in a timely manner.
31. The Association does not accept cash or cheques. Payments must be made by (1) E-transfer, or (2) Credit/debit card unless explicitly authorized by the Officers.
32. Refunds are issued by e-transfer unless otherwise authorized by the Treasurer.
33. E-transfer notifications or other revenue detail reports must be sent to the Treasurer (or designate) for recording within 10 days of month-end.
34. Invoices issued by the Association are normally due within 30 days of the date of the invoice.
35. In some instances, the Association may set vendor terms to exceed 30 days, this can be determined on a case-by-case basis by the Officers.
36. The Treasurer will monitor aged receivables, and will take reasonable steps to ensure payment is collected on any overdue accounts.

PURCHASING, EXPENSES & ACCOUNTS PAYABLE

Contracts and Commitments

37. Contracts or purchase commitments with a cumulative value of over $1,000 require two signatures.
38. Contracts or purchase commitments with a cumulative value of over $5,000 require two signatures, and must have board approval. If the commitment was explicitly (1)

identified, (2) planned and (3) approved during the budget approval process, this will be deemed 'board approval'.

Purchases Without Commitment

39. Purchase arrangements that do not have a written agreement, which have open terms, and can otherwise be cancelled at any time, without penalty are considered to be a single purchase without commitment.
40. Subscriptions and recurring payments that do not have a written commitment, and which can be cancelled at any time are considered to be a single purchase based on the periodic charge.
    - Example A: A monthly subscription is paid at $100 per month. The rate is locked in for one year, but can be cancelled at any time without penalty. This is considered to be a single purchase at each payment date with a cumulative value of $100.
    - Example B: A monthly subscription is paid at $100 per month. The rate is locked in for one year, based on a one-year commitment, otherwise it would be $110 per month. Although this can be cancelled before the end of 12 months, there is a specified penalty amount. This is considered to be a contract or commitment under section 8 above and treated as its cumulative value of $100 multiplied by the number of months of the agreement - i.e. a 12-month contract would require two signatures as it is $100 x 12 = $1,200.
41. In general, a representative of the association who is authorized and informed should initiate, review, and approve the purchase of goods and services. This means that the person initiating the purchase must ensure that the purchase is in accordance with the budget, and that the goods and services are delivered in a satisfactory manner.
42. All purchases must be (1) reviewed by a representative (including board members and Officers) and (2) approved by at least one Officer, ideally before payment is made.
43. Single purchases which (1) have not been planned, and explicitly identified in the board approved annual budget, (2) Are outside of approved contracts or purchase commitments, and (3) are over $1000 requires Board approval
44. Single purchases cannot be split to bypass this requirement.

45. Multiple payments over time for a single item or service is considered a single purchase unless explicitly acceptable through other sections of this policy.

Accounts Payable

46. Vendor invoices shall be paid within the terms stated on the invoice or by the vendor, or within 30 days if no terms are provided.
47. In cases where vendors do not submit invoices in a timely manner (within a month), the association may record the invoice date as the date received.

    Example: If a vendor submits an invoice to the association for the first time on August 15th, with an invoice date of June 1st, the association will record it in the books as an August dated invoice - regardless of whether the vendor agrees.

Payments

48. Payments are considered to be separate and distinct from expenses, purchases, contracts etc. Payments can be on account, prepayments for future goods or services, partial payments for a single good or service, or a direct exchange of payment for a good or service immediately satisfying any terms thereby concluding the transaction immediately.
49. Payments, including cheques and e-transfers over $500 require two approvals.
50. A signing officer may approve payments to themselves only if other officers have approved the underlying supporting documents used as the basis for the payment, and if a second officer approves the payment itself.

    Example: An expense claim form is submitted by the Treasurer for review. The President and Vice President both review and approve the expense claim. The Treasurer initiates the payment through online banking, and either the President or Vice President approves the payment before it is released.
51. In some cases, payments made to individuals for services exceeding $500 in a year, may be subject to T4A reporting in accordance with CRA requirements - this does not include expense reimbursement payments if supported by receipts.

Credit Cards

52. The association may obtain a credit card from a reputable financial institution, which may be issued to Officers for the following purposes:
    - Purchasing regular services or supplies for the administration of the association (e.g. Software as a Service subscriptions such as Quickbooks, purchasing office supplies, paying Freestyle Canada registration fees, insurance expenses etc.)
    - Paying for travel costs, meals and entertainment etc. directly attributable to association business (e.g. meetings with Freestyle Canada representatives, travel to events etc)
53. Cardholders must comply with the issuing institution's terms and conditions, and:
    - Receipts must be provided to the Treasurer within 10 days of month-end
    - Monthly statements must be reviewed and approved by a second Officer
    - Cardholders are personally liable for purchases that are deemed to be inappropriate or outside of policy restrictions.
    - Balances must be paid in full by the statement due date or before to avoid unnecessary interest and penalties
    - The cardholder must stay within spending limits; if spending limits are exceeded and penalties are charged, the cardholder will be personally responsible for that fee.
    - Cards may be cancelled at any time if the cardholder is deemed to be abusing their card privileges.
    - Expenses must align with the other sections of this policy.

Expense Reimbursement

54. Wherever possible, the association should pay expenses directly.
55. In some instances, expenses will be incurred by representatives of the association in carrying out their duties on behalf of the association, and by paying using their personal resources such as their personal cash, or credit card. These expenses may be reimbursed by submitting a request for reimbursement within 30 days of incurring the expense, using the association's expense claim form. All expenses must include receipts or other acceptable supporting documentation unless covered by per-diem allowances. Claims older than 30 days may require Board approval.

Expense claims will be reviewed and approved following the processes outlined in this policy for other costs and payments.

REASONABLE & CUSTOMARY EXPENSES

Travel & Accommodation

56. A travel plan outlining the reason for travel, estimated costs and budget attribution must be prepared by the Representative, submitted to and pre-approved by the Treasurer (or designate).

(Rates updated as of April 10, 2025)

Expense	Rate	Notes
Travel – Personal Vehicle Mileage Rate	$0.54 per kilometre	
Travel – Air	Lowest economy	Prior approval required
Breakfast within Province	$15.00	Receipts not required
Lunch within Province	$20.00	Receipts not required
Dinner within Province	$25.00	Receipts not required
Full Day within Province	$60.00	Receipts not required
Breakfast out of Province	$15.00	Receipts not required
Lunch out of Province	$20.00	Receipts not required
Dinner out of Province	$25.00	Receipts not required
Full Day out of Province	$60.00	Receipts not required
Accommodation	Double occupancy	All personnel unless specified
Accommodation	Single occupancy	Only the President
Accommodation with Friends or Family	$50.00 / day	Receipts not required
Incidental expenses	Actual cost	Receipt required

Travel Rules

57. Representatives attending the same event should travel together when possible.
58. Only the driver may claim mileage.
59. Unless specifically required for group travel, or transporting large items, car rentals must be compact class - drivers and vehicles must be properly insured.
60. Airbnb/VRBO is permitted if cost-effective.
61. No reimbursement for parking tickets, speeding fines, or other violations.
62. Per-diems cannot be combined with meal receipts.
63. If meals are provided at an event, per-diems are not paid.
64. The Treasurer has the authority to partially reimburse, or deny claims that demonstrate non-compliance with this policy.

Entertainment Expense

65. Entertainment expenses are reimbursed only when directly related to Organization business. Claims must include:
    - Names of attendees
    - Purpose of the meeting
    - Original receipts

Other Expenses

66. Long-distance calls may be reimbursed up to $80, with details of who was called and why.
67. Reasonable expenses for parking, copying, and similar items may be reimbursed with receipts.
68. Software subscriptions (e.g., accounting tools, cloud storage) must be pre-approved.

PSO Board of Directors Approval Date:	October 19, 2026