

## **Financial Management Policy Framework**

### **Overview**

In support of the fmi\*igf bylaws, the purpose of this Financial Management Policy Framework is to establish guidelines for developing financial goals and objectives, making financial decisions, and reporting the financial status of fmi\*igf. Through this, the organization commits to fulfill its mission in the most effective and efficient manner and to remain accountable to stakeholders, including clients, partners, funders, employees, volunteers and the community.

### **Accountabilities**

The Board of Directors is responsible for ensuring effective financial management of the organization by exercising its responsibility to formulate financial policies and guidelines and review fmi\*igf operations and activities on a regular basis. The Board delegates this responsibility to the Secretary-Treasurer of the Board and the Finance and Audit Committee (FAC). This responsibility is shared through delegation with the CEO. The CEO is responsible for the day to day operations of fmi\*igf operations. Appendix A provides a list of related policies and policy instruments.

### **Risk Management Strategy**

Fmi\*igf recognizes that it is the responsibility of all Board members, volunteers and employees to have regard for risk in carrying out their duties. Annually as part of its strategic planning exercises the Board will discuss and review risks facing the organization and put in place plans to address and mitigate risks as appropriate.

### **Financial Records and Reports**

Financial records will be maintained in an orderly fashion by the National Office. All mandatory remittances, forms and reports, and routine bookkeeping functions will be completed on a timely basis, and in compliance with relevant legislation and regulations.

Monthly financial reports will be prepared for, and distributed to the Secretary-Treasurer who shall share them with the members of the FAC. A Budget versus actual report is presented at each Board meeting.

Financial statements will be prepared for review by the auditors within two months of the fiscal year end. The auditors are selected by the FAC and approved at the Annual General Meeting (AGM) for the designated contract period.

The financial statements of the fmi\*igf will be prepared in accordance with Generally Accepted Accounting Principles (GAAP). After annual review, the auditors prepare a preliminary report for the FAC. Once approved by the FAC, the audit report is tabled at a Board of Directors meeting. The financial statements are then approved at the AGM held during PD Week.

The Secretary-Treasurer will approve transfers to and from the short-term investment account in consultation with the Chief Executive Officer in consideration of funding requirements and the investment policy

## Revenues Overview

The CEO will establish appropriate internal controls regarding the overview and management of fmi\*igf generated revenue. These controls include but are not limited to receipts handling, monthly bank reconciliations and the frequency of bank deposits. In addition, the Secretary Treasury is responsible for reviewing and approving monthly bank reconciliations to ensure appropriate reporting of all credits and debits.

The fmi\*igf National Office will operate the registration system for all national events and online courses. This national registration system is also available to all Chapters who opt to use it for their PD events. When invoices are generated by the registration system, they will be supported by and reconciled to registration revenue in the accounting system.

Invoices to event sponsors, exhibitors and advertisers (including *fmi\*igf electronic Journal* advertisers will be supported by documents from the Sponsorship department or by acknowledgments from the organizations themselves (letters, emails, etc.).

## Expenditures Overview

The Board of Directors establishes appropriate delegations of authority in order to support accountability in financial transactions and open, fair and transparent management of fmi\*igf activities. All fmi\*igf expenditures will be duly authorized and properly accounted for in accordance with the approved Delegation of Authorities policy as identified in Appendix A. Records of purchases made with the Corporate Credit card will be maintained with full invoice documentation. Payments for credit card purchases will be reviewed and approved by the Secretary-Treasurer.

## Budget Overview

*Budget cycle*

The Board of Directors meets in fall of each year to update the Strategic Plan. Based upon the updated Strategic Plan, the CEO develops an annual Operational Plan prior to year end. The Plan is presented to the Board of Directors for review and approval and once these plans are approved, the CEO develops the budget.

The CEO and the Secretary-Treasurer work collaboratively to finalize the proposed budget through working with the Finance and Audit Committee. The CEO presents the Budget to the Board of Directors for approval by January 31 of each year.

The fmi\*igf Board of Directors may approve an interim budget. The motions to approve interim or full budgets are the responsibility of the Secretary-Treasurer.

### *PD Week/ Public Sector Management Workshop (PSMW)*

PD week and PSMW are the key professional development events undertaken each year. The Chief Executive Officer is responsible for PD Week and PSMW. The CEO forms a collaborative working relationship with the PD Week Chairs/PSMW local chair to discuss proposed program, speakers, streams and registration fees. The CEO will develop the budget, and in conjunction with National Office will process all payments and registrations.

Expenditures for events that take place during these events which are related to the Board of Directors meetings and receptions will be charged to the Board of Directors cost centre, and will be the responsibility of the President of the Board.

The PD week Chairs/PSMW Co-Chairs and Treasurer will be provided with monthly cost centre reports reflecting revenues and expenditures by the National Office.

All revenues will be processed through the National Office. This includes registration fees, revenues from sponsors, exhibitors and advertisers.

### **Asset Protection Overview**

In order to ensure that the assets of fmi\*igf are adequately protected and maintained, the CEO shall:

- Insure against theft and casualty losses to the organization and against liability losses to Board members, staff, or the organization itself to levels indicated in consultation with suitable professional resources.
- Plan and carry out suitable protection and maintenance of property, building, and equipment.
- Avoid actions that would expose the organization, its board, its volunteers or its staff to claims of liability.

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- Protect intellectual property, information, and files from unauthorized access, tampering, loss, or significant damage.
- Receive, process, and disburse funds under controls that are sufficient to maintain basic segregation of duties to protect bank accounts, income receipts, and payments.

This section will be reviewed on a regular basis and any adjustment or amendments will be presented at the Board of Directors for approval.

## Appendix A Related Financial Management Policies

Financial Management policies have been established under fmi\*igf bylaws. It is the responsibility of the Board of Directors through the Finance and Audit Committee (FAC) to ensure policies are maintained and up to date.

Policy Name	Policy Link
<p><b>1. Delegation of Authority</b> Is established to:</p> <ul style="list-style-type: none"> <li>• Support accountability in financial transactions and open, fair and transparent management of fmi*igf activities</li> <li>• Define the authority reserved for the National Board of Directors and those matters delegated to National Office, and</li> <li>• Establish an appropriate Segregation of Duties</li> </ul>	
<p><b>2. Investment</b> To provide guidance to fmi*igf management and Board regarding any invested funds in accordance with the investment goals and objectives established by the fmi*igf Board.</p>	
<p><b>3. Alcohol</b> The purpose of this policy is to establish a set of guidelines surrounding the expensing of alcohol-related costs at Corporation events.</p>	
<p><b>4. Capital Asset</b> To provide guidance for the recognition and valuation of capital assets.</p>	
<p><b>5. Chapter Development Fund</b> To establish the approach in providing assistance to individual Chapters in order to fund professional development, promotional, or organizational development initiatives that align with the Mission, Vision and Values of fmi*igf and foster member growth and development.</p>	
<p><b>6. Entertainment and Hospitality</b></p> <ul style="list-style-type: none"> <li>• To provide direction and guidance with respect to the appropriate expensing of hospitality to support fmi*igf business</li> <li>• To ensure hospitality is offered in an accountable, economic and consistent manner</li> <li>• To ensure fmi*igf financial resources are used prudently and responsibly with a focus on accountability and transparency</li> </ul>	
<p><b>7. Reserve Fund</b> The purpose of the Reserve Fund is to restrict existing surpluses for future use in the event of an unforeseen circumstance requiring issuance of non-budgeted funds and/or PD Week or PSMW deficits.</p>	
<p><b>8. Travel</b> This policy establishes the principles, rules, practices, roles and responsibilities governing travel for fmi*igf. This policy recognizes that travel is a necessary component of fmi*igf business function.</p>	
<p><b>9. Cost Centre</b></p>	

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To identify all available cost centre in fmi*igf and their purpose	
10. Risk management policy To identify the approach and requirements for assessing and mitigating risk in the operation of fmi*igf	