

Archives Association of B.C. Financial Practices

April 2015

Introduction

As per a motion at the 2014 AGM, this document has been prepared to disclose to AABC members how the finances of the Association are managed.

Since the loss of federal funding, the Association has been forced to cut back on expenses. At the 2014 AGM, the Executive proposed to the membership that the Association suspend the yearly external review of finances, for a cost savings of \$5,000 per year. While an external review of finances was recommended for receiving federal and other funding, there is currently no legal or business requirement for an external review.

Positions

People responsible for the finances of the Association are:

Treasurer: The Treasurer is a volunteer position on the Executive. The Treasurer is responsible for guiding the budgeting process, reporting on the state of finances to the Executive, and is the chair of the Finance Committee. The Treasurer has signing authority for the Association.

President: The President of the Association (volunteer position) also has signing authority for the Association, in order to substitute for the Treasurer when necessary.

Financial Manager: The Association contracts the services of a Financial Manager to maintain the finances of the Association. The Financial Manager produces monthly financial statements, assists with the budgeting process, and produces cheques for payment of vendors and contractors. The Financial Manager is a professional accountant who is a CPA, CMA.

Finance Committee: The Finance committee is comprised of the Treasurer plus 2-3 volunteer members of the Association and provides advice to the Treasurer and the Executive on financial matters.

Processes

Yearly

Several months before the end of the fiscal year, the Executive meets with the Financial Manager and Finance committee to set the budget for the following fiscal year. To project expenses, the Executive requests "wish lists" from the contractors (Education Advisor, Network Administrator and Financial Manager) to plan the following year's activities and expenses. Revenues are projected by reviewing the previous year's membership and educational program enrollment.

At the AGM, the finances from the previous year are presented to the membership along with a budget for the upcoming fiscal year, which is put to a vote by the membership.

At the 2014 AGM the membership moved that the finances of the Association are to be reviewed by volunteers from within the membership, in the absence of an external review by accountants. The Executive proposes that the review is coordinated by volunteers from the Finance committee along with one to two more members from the general membership.

The following federal filings are prepared by the Financial Manager and signed off by the Treasurer and President:

- Annual GST rebate application
- T3010 Annual Charities Filing

Monthly

On a monthly basis, the Financial Manager provides the Executive and Finance committee with unaudited financial statements for the previous month. They are reviewed and approved at monthly Executive meetings, with the Treasurer fielding any questions from other Executive members.

On a month-to-month basis, the Financial Manager will also ensure the deposit of revenue from a number of possible streams: donations, membership fees, distance education and conference fees, and sponsorships. These revenues are acquired either through cheque or credit card, and are subsequently deposited into the bank account by the Financial Manager.

The Treasurer receives a monthly bank reconciliation from the Financial Manager, along with the monthly bank statement for review. The bank statement includes images of all cheques issued in that month.

The Financial Manager also prepares cheques for the contractors and vendors, which are sent for signature and disbursement to the Treasurer on a monthly basis or more often as needed.

All other expenses are approved by the Treasurer before funds are dispersed.

Disclosure

The current Treasurer (2013-2015 term) is an employee of Artefactual Systems Inc, who provides the Association with hosting services for MemoryBC. In her employment with Artefactual, she has no responsibility for setting hosting fees.