

THE PACERS SPEED SKATING CLUB OF OTTAWA

FINANCIAL POLICY

Revised May 2004

Up-Dated

September 2007

Updated May 2012

TABLE OF CONTENTS

1.0	Introduction	2
2.0	GLOSSARY OF TERMS	2
3.0	BUDGET	3
3.1	Revenues	3
	3.1.1 Membership Fees	3
	3.1.2 Skate Rental	3
	3.1.3 Grants	3
	3.1.4 Fundraising	4
	3.1.5 Donations	4
	3.1.6 Interest	4
3.2	Retained Revenue	4
3.3	Expenditures	5
	3.3.1 Operating Fund	5
	3.3.2 Operating Reserve Fund	5
	3.3.3 Capital Fund	6
	3.3.4 Travel Fund	6
	3.3.5 Skate Park Fund	6
	3.3.6 Skate Fund	6
	3.3.7 Special Project Fund	7
4.0	FINANCIAL ADMINISTRATION	7
4.1	Fiscal year	7
4.2	Accountant's Review of Accounts	7
4.3	Banking	8
4.4	Depreciation of Assets	8
4.5	Unforeseen Expenses	8
4.6	Reimbursement of Expenses	8
	4.6.1 Coach and Volunteer Administrator Travel	9
	4.6.2 Coach Training	9
	4.6.3 General Training	9

1.0 INTRODUCTION

The Pacers Speed Skating Club of Ottawa (Pacers) shall strive to end each fiscal year in a non-deficit position.

All matters pertaining to the finances of the Pacers shall come under the direct supervision of the Treasurer who is responsible to report regularly to the Board of Directors and the President.

The Board and the Treasurer shall administer the finances of the club in accordance with the policies outlined in this document. Proposed changes to this policy should, where feasible, be circulated to the membership for comment, prior to consideration by the Board. Amendments to the financial policies must be approved by the Board, with subsequent notification of the members.

2.0 GLOSSARY OF TERMS

Capital Fund - the fund utilized to purchase and maintain items that will last for more than one season.

Operating Fund - the fund utilized for expenditures associated with the day to day operations of the club.

Operating Reserve Fund - the fund required to ensure that the club has sufficient cash flow to conduct its day to day operations without borrowing.

Retained Revenue - the excess of revenue over expenses at the end of the fiscal year.

Travel Fund - the fund that is used to support athlete travel to competitions.

Skate Park Fund - the fund utilized to purchase and maintain items that will last for more than one season associated with the Skate Park.

Skate Fund - the fund utilized to purchase and maintain skates.

3.0 BUDGET

The Pacers budget shall contain the total anticipated expenditures and revenues from all sources for the year. The budget shall be developed and approved by the Board of Directors based upon the financial policies of the Club. The budget will be available to members upon request. The budget shall be prepared and approved prior to September 1 each year, being the beginning of the skating season.

3.1 Revenues

Club revenues shall include but not be limited to membership fees, skate rental, grants, fundraising, donations and interest.

3.1.1 Membership Fees

The specific fees for different membership categories (e.g. Youth, Masters) will reflect direct costs associated with that category e.g., cost of ice rental. All members of the club shall support the operating and capital costs of the club.

The revenue to be derived from membership fees shall be based upon:

- operating fund requirements for the membership year (100% of the current year operating cost must be derived from membership fees)
- short fall in the operating reserve fund to maintain it at 30% of operating fund
- 0% to 10% allocation to the travel fund
- 3% to 10% allocation to the capital fund

The allocations to the travel and capital fund will be established by the Board within the approved ranges based upon the anticipated expenditures from that fund. The minimum and maximums may be adjusted only upon prior approval of the membership.

Certified members of the coaching team that volunteer a minimum of one session per week throughout the skating season shall have their club fees waived and their OSSA and SSC fees paid by the club.

Certified officials that actively support the club and have no family members skating shall have their OSSA and SSC fees paid by the club.

The Treasurer shall be authorized to prorate membership fees for first year skaters that begin after November 1 each year.

For skaters who have suffered significant injury during the season related to skating (competing, practicing or training), the Board may consider granting a partial refund to that skater.

3.1.2 Skate Rental

All revenue derived from skate rental shall be utilized only for the acquisition and maintenance of rental skates, unless otherwise approved by the Membership

3.1.3 Grants

The club currently receives grants from the City of Ottawa for the maintenance of the Brewer Skate Park. Skate Park revenues shall be applied against the operating fund. All other grant revenues shall be applied against the specific project for which

they were intended. Where such grant permits the allocation of a designated amount of funds for administration, these funds may be applied to the operating fund.

3.1.4 Fundraising

All club fundraising will be allocated to the activity specified at the outset with the approval of the Board.

3.1.5 Donations

Donations shall be allocated against the appropriate fund as designated by the donor. Where the donor has not specifically specified, the allocation shall be determined by the Board of Directors.

3.1.6 Interest

Funds generated from interest shall be applied to the operating fund.

3.2 Retained Revenue

Retained revenues from the Operating Fund shall be applied to the following year's Operating Reserve Fund. Should there be an excess beyond the requirements of the Operating Reserve Fund, This amount shall be retained for purposes to be determined by the Board.

Retained revenues in all other funds shall be carried forward to the respective fund in the upcoming year. Note: There shall be no retained revenue in the Travel Fund unless all athlete travel for the year has been supported.

3.3 Expenditures

Club expenditures shall be divided as follows: Operating Fund, Operating Reserve Fund, Capital Fund, Travel Fund. From time to time an additional Special Project Fund(s) may be established.

3.3.1 Operating Fund

The Operating Fund shall include all expenses associated with the ongoing operation of the club and its programs. It shall include but not be limited to:

- Ice and facility rental
- Club Affiliation costs
- Insurance (club liability and equipment, O&D Liability)
- Coach training and expenses
- Coaches meet expenses

- Badge Program, if relevant
- Repairs & Supplies
- Administration
- Newsletter, website and other communications
- Social Events
- Awards
- Bank Charges
- Meet subsidization
- Video expenses
- SSC & OSSA individual fees
- Miscellaneous

3.3.2 Operating Reserve Fund

In the interest of good management the Club shall strive to maintain an operating reserve level of at least 30% of its annual operating fund. This operating reserve fund is necessary to provide the club with sufficient cash flow to meet ongoing operating expenses such as ice rental deposits and skate purchases and to cover unforeseen operating expenditures such as membership short fall, unplanned price increases etc.

3.3.3 Capital Fund

The Capital Fund is utilized for the maintenance and/or acquisition of capital assets (items that will last for more than one season, e.g., mats, video equipment, stop watches, resource materials) where the expenditure is greater than \$200 and less than \$10,000. Any capital expense greater than \$10,000 must be approved by the membership in advance.

This fund may carry a surplus forward to the upcoming year(s) provided that the intended use of the funds has been identified and that they are used for that purpose within 10 years.

3.3.4 Travel Fund

The purpose of the Travel fund is to partially reimburse travel costs for skaters representing the club in *Canadian Championships* and *Ranking Meets* .

Each year the Board is authorized to:

- Set the amount of total funding subject to the limitations specified in section 3.1.
- Determine which meets are covered by the policy for that year, noting that meets in which costs are fully covered by other organizations are not eligible (e.g. Canada Winter Games). The Board should make this determination no later than October 1st of the skating season.
- Apply the policy to the list of skaters provided by the club's coaches

and/or technical director

- Determine the methodology of distributing the fund to the skaters, seeking to maintain fairness, consistency from year to year and transparency to the membership

3.3.5 Skate Park Fund

The Skate Park Fund is utilized for the maintenance and/or acquisition of capital assets (items that will last for more than one season, e.g., ramps, equipment) where the expenditure is greater than \$200 and less than \$10,000. Any capital expense greater than \$10,000 must be approved by the membership in advance.

Funds may be either donated or raised in direct support of the Skate Park. This fund may carry a surplus forward to the upcoming year(s).

3.3.6 Skate Fund

All revenue derived from skate rental and skate sharpening fees shall be directed to the Skate Fund. The Skate Fund is intended for the acquisition and maintenance of rental skates.

3.3.7 Special Project Fund

From time to time the club may have a special project for which it has received funds that must be accounted for separately, (e.g., summer school program) or for which it wishes to raise funds (e.g., trip to Winter Olympics). Such a fund may be established by the Board of Directors but must be ratified at the next general meeting of the membership. Should the establishment of the fund not be ratified by the membership all funds collected shall be returned from whence they came or utilized for a similar purpose as approved by the membership.

This fund may carry a surplus forward to the upcoming year(s) for the period of time identified (by the Board and ratified by the membership) when the fund is established.

3.3.8 Self Supporting Events Activities

From time to time the club sponsors activities and events in support of the club that are designed to be self supporting e.g. competitions, sale of club clothing.

Prior to the launch of such activities the Board of Directors should determine what fund will support a shortfall if the event/activity does not break even and to which fund any excess revenues shall apply, .e.g., an excess revenue for a skate merchandising program may be applied to the capital fund; from a competition to the travel fund.

4.0 FINANCIAL ADMINISTRATION

4.1 Fiscal Year

The fiscal year of the club shall be from April 1 until March 31 inclusive.

4.2 Accountant's Review of Accounts

An accountant's review or Notice to Reader Engagement of the immediate previous year's accounts of the Club shall be provided to the membership a maximum of three (3) months after the end of the fiscal year.

4.3 Banking

Pacer funds shall be kept in a registered financial institution as determined by the Club's signing officers.

Withdrawals of the Pacers shall be made by the Club signing officers. A minimum of two signing officers shall be required for all transactions. The signing officers shall be any two (2) of the Treasurer or two Directors as designated by the Board. No two individuals of the same family or residing under the same roof shall serve as signing officers at the same time.

4.4 Depreciation of Assets

Capital items having a purchase value of less than \$2000 shall be expensed in the year of purchase. All other items shall be depreciated over the projected life of the item.

4.5 Unforeseen Expenses

From time to time revenues and expenditures will vary from those budgeted. As well unforeseen expenditures may arise. In these instances the Treasurer together with the President may jointly authorize a reallocation to a maximum of \$200. For reallocations beyond this amount, approval of the Board is required.

4.6 Reimbursement of Expenses

All requests for reimbursement of expenses must be accompanied by official

receipts, with the exception of mileage and long distance telephone calls in which instance a photocopy of the bill highlighting the claimed calls together with an explanation of their purpose, will suffice.

4.6.1 Coach and Volunteer Administrator Travel

Reimbursement for approved expenses may not exceed the following without the prior approval of the Board.

The club will fund one coach for up to 10 athletes, and a second coach when the number of athletes exceeds 10. The coach/coaches will be assigned by the Technical Director, and only that coach or coaches will be funded.

For any event where a chartered bus is provided, bus travel will be the only form of travel supported until all seats are taken. Where a bus is not provided, travel costs in the form of expenses for fuel will be reimbursed, with receipts. It is expected that, where possible, coaches will endeavour to car pool.

Meals will be reimbursed to a maximum of \$35/day, with receipts. No alcohol is to be included, and expenses for alcohol will **not** be reimbursed.

Accommodation will also be reimbursed to the coach/coaches in the form of expenses related to room rental only, at the host hotel only, with receipts. Where more than one individual of the same sex is being funded to an event, it is expected that accommodation will be shared.

4.6.2 Coach Training

Level I: Course fees will be reimbursed upon completion of 20 hours of coaching within the club, .

Level II - V: Course fees will be paid upon registration for those coaches who have completed their 20 hrs of coaching, and are currently active.

Other coaches will be reimbursed upon completion of 20hrs of coaching within the club.

4.6.3 General Training

At least 25% of the cost of General first aid training for all volunteers will be paid by the club, either by reimbursement, or by offering a first aid course for those volunteers subject to pre-approval by the technical director or president.