

FINANCE POLICY

STATEMENT

Toronto Rugby (TR) wants to ensure that adequate internal controls are in place for the functioning of the operations. Each of the board of directors members are responsible and must ensure that the fiduciary duties that they operate under are above reproach. The board members of TR must ensure that the interests of its constituents (club members) are held in high esteem. The TR board members must avoid any conflicts of interest between themselves and the fiduciaries that they represent. The board has, therefore, put in place the following policies regarding its operations.

BANK ACCOUNTS

The authority to open and close bank accounts is delegated to Toronto Rugby (TR) board of directors. The authority to approve changes to signing authorities on specified bank accounts is delegated to the TR board of directors. All cheques issued by TR must bear the signing authority of 2 approved signers from the TR board of directors. Deposits will be made by the Treasurer of TR or designate as approved by the TR board of directors. Reimbursement cheques made out to specific board members must not be signed by the respective board member. Cancelled/paid cheques come from the bank to the Treasurer who reconciles the bank to the specific account.

BUDGETS

Budgets are to be provided by the Program Director (PD) to the Treasurer at least one month before the AGM for approval and discussion for any programs requiring an investment by Toronto Rugby over \$2,000 in the following year. If the PD is not in place at the time, the treasurer will put together the budget for the program based on past experience. The PD will be required to put together a budget for the program once they are in place and if possible at least eight (8) weeks before the start of the program.

The Treasurer will provide a proposed budget at each AGM that is approved or revised by the constituents (member RFCs).

Toronto Rugby recognizes that these programs may change after the budgets are established and in some cases details such as the location of semi-final or final games can dramatically affect the cost of the program. Some budgets will need to be flexible with the ability to increase them due to these factors and the PD must build in a contingency as well as high/low figures for the budgets.

The functions of initiating, authorizing, recording transactions, custody of assets, and bank reconciliation must be segregated to ensure that no staff member or group of staff members has exclusive control over a financial transaction or group of transactions. For example, for accurate accounting records, recording duties must be separate from

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custodial duties, such as cash receipts, bank deposits, cheque printing and cheque signing. For an independent verification of accounting records to bank account records, the official preparing the bank reconciliation must not have custodial duties or record transactions in the accounting records.

If the above is necessitated by a small or inexperienced staff, then the TR board of directors needs to ensure that they review the monthly financial reports on a consistent basis and hire the most conscientious staff possible.

BILLINGS

The TR Treasurer will prepare team billings in February for the number of teams that each constituent club will have available. The TR board of directors will decide upon the amount to be charged each team at its meeting in February.

The PD is to encourage all payments to TR to be made by cheque. In the future, if email transfers are contemplated then the process needs to be reviewed and adequate internal controls put in place to ensure that payments from member RFC's are placed in the appropriate bank account. Payment from vendors and/or sponsors is to be made by cheque only (cash payments are NOT to be accepted). All cheques are to be turned over to the Treasurer at the end of each month during the program period. Offsets are not to be used and if contemplated by a member club, it should be discouraged.

In the case of payments which are received in cash (player fees, gate receipts, bus charges, meal charges etc.), these are to be turned over to the Treasurer at the end of each month during the program period. This can be done at the same time as the cheques are presented. A full accounting of the amount, source and date collected is to accompany each deposit. In the case of player payments, this includes the person making the payment.

PETTY CASH

Under no circumstances are cash revenues to be used to make petty cash payments. If cash is required for small day to day payments of items which cannot be billed, the PD will estimate the cash requirements on a monthly basis (this can be different from month to month), advise the treasurer and secure a reimbursement by cheque. An accounting of the money spent and receipts for each item will be turned over to the Treasurer at the end of each month and a new cheque secured for the following month. These small cash purchases may be done with a local or vendor of the PD's choice.

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PURCHASES OF GOODS AND SERVICES

All purchases of material or services over \$500 are to be done through approved vendors as vetted by the board. Any incentives, rebates, discounts etc. are to be clearly marked on the invoice. Any of the aforementioned items will be for the sole benefit of TR (through the program or directly) and not the benefit of the PD, other administrators or the TR board.

Any items over \$2,000 will require a minimum of 2 written quotes, providing there are at least 2 approved vendors with a similar product line. The PD may choose to use a vendor which has provided a higher quote (providing it is not more than 15% higher), if the terms of delivery, quality or other factors are deemed to be superior. All written quotes (accepted or otherwise) are to be turned over to the treasurer at the end of each month.

A receipt is to be provided with for each purchase, cash or otherwise. Invoices will be paid by cheque only if a suitable invoice is sent to the Treasurer and the amounts match the prices quoted.

The PD is not authorized, without the express written permission of the board, to reimburse or pay for any additional costs over and above the official cost for functions of the program such as (but not limited to), bus trips, airline tickets, official meals, kit etc.

ASSETS

TR must ensure that there is adequate control over physical assets and the people that are handling the assets are confident and trust worthy.

MONITORING

The TR board of directors will periodically review the internal control processes so that there is adequate training of staff and they will investigate all unusual activity. It is possible to have two (2) of the directors review all internal control processes and records on a twice yearly basis.

AUTHORIZED STAFF

The PD is to insure (and verify) that all staff are properly registered with Rugby Canada.(RC). A person may be hired for a specific role who is not a member of the general rugby community (such as a marketing manager). It is appropriate to cover the cost of this registration if that person would not normally be registered with RC through a club or union.

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REGULAR REPORTING

The TR board of directors specifies that regular financial and operational reporting is done on a consistent basis. The level of detail will be up to the board of directors to decide upon. The financial books or records of TR are the property of TR and not the Treasurer. It is open for examination at any reasonable time by directors of TR.

RETENTION OF RECORDS

Records of TR will be kept for a minimum of seven (7) years. This applies to both physical written records (ledgers, cheques, receipts, etc.) and to electronic records if the Treasurer is using a computer program to manage finances of TR.

CREDIT AND DEBIT CARDS

Currently TR does not use credit or debit cards. However, if it is decided in the future to use those cards in its operations, TR has decided that it must spell out its usage. The TR board of directors should meet with officials from their financial institution to discuss the options that can be put in place. There should be daily transaction limits and limits to specific classes of vendors. The persons who carry the cards need to have very clear guidelines around the use of these cards. Card usage should not be for personal item purchases and card statements should be mailed to a board member other than the person issued a card. Purchases should be approved monthly by the TR board of directors.