

Financial and Reserves Policy

2026–2027

Definitions

1. The following terms or abbreviations have these meanings in this Policy:
 - a) “MSC” – Mississauga Skating Club
 - b) “DSO” - Director of Skating and Operations
 - c) “Representative” — Individuals employed by or engaged in activities on behalf of MSC including: coaches, administrators, staff members, volunteers, committee members, contract personnel, and Directors and Officers of MSC.
 - d) “Board” — *the Board of Directors of MSC.*
 - e) “By-law” — *MSC By-law No. 1-2023, as amended.*
 - f) “Officer” — *the President, Vice-President, Secretary or Treasurer, as set out in section 6.01 of the By-law.*

Purpose

2. MSC will function as a Not-For-Profit organization and all fundraising, fees, sponsorship, and grants will be used for the on-going development of the sport and the advancement of MSC.
3. The purpose of this Policy is to guide the financial management practices of MSC.

Budget and Reports

4. The DSO will prepare an annual budget setting out MSC's total anticipated revenues and expenditures, and will present it to the Board for approval before the start of each fiscal year. The Treasurer will review the draft with the DSO before it goes to the Board.
5. The Treasurer (or auditor) will, at the Annual General Meeting (AGM), present Financial Statements as required by applicable legislation and any other report as determined by the Board.
6. MSC's annual financial statements will be prepared by the bookkeeper under the direction of the Treasurer, and will then be audited, or reviewed under a review engagement, by the person appointed by the Members under Article Eleven of the By-law. The Board will review the statements before they are presented at the AGM. The bookkeeper will prepare a Balance Sheet monthly and an Income Statement quarterly for Board review at monthly Board meetings, and more often if the Board requests.
7. Treasurer is required to conduct monthly bank reconciliations with the bookkeeper.

Fiscal Year and Accounting Method

8. MSC's fiscal year will be as described in MSC's By-law.
9. MSC will use the accrual basis of accounting that recognizes revenues when they have been earned and expenses when they have been accrued.

Banking - Revenue

10. Registration fees shall be reviewed annually by the DSO and the Treasurer, who will recommend fees to the Board supported by a comparison against comparable clubs. The Board shall approve fees no later than thirty (30) days before registration opens on August 1st for the Membership Year beginning September 1st.
11. All money received by MSC, except lottery proceeds, will be deposited into the MSC daily operating account held with a Schedule One Bank, currently Scotiabank. This money will be used for all necessary and permitted purposes in the operation of MSC, as determined by MSC's Board.
12. Lottery proceeds, including monthly Bingo revenue, will be deposited directly into a separately designated lottery account and used only for the purposes permitted by MSC's charitable gaming licence, currently the payment of ice expense. These funds are externally restricted. They are not reserves, they do not form part of MSC's operating reserves, and they may not be counted towards any reserve target under this Policy.
13. MSC will exercise a low-risk investment strategy, investing funds not required for immediate use in an interest-bearing savings account and in Guaranteed Investment Certificates, on the approval of the Board. Maturities will attempt to be laddered so that the funds held against the Contingency Fund can be reached within ninety (90) days.
14. Unless approved by the Board, MSC will not borrow money nor activate lines of credit.

Signing Officers

15. Deeds, transfers, assignments, contracts and obligations of MSC shall be signed by any two (2) of the following, provided that at least one of them is the President or the Vice-President, as section 13.01 of the By-law requires:
 - a) President
 - b) Vice-President
 - c) Secretary
 - d) Treasurer

16. The DSO holds no signing authority. The Board may, by resolution, delegate to the DSO authority to commit MSC to expenditures that are within the approved annual budget and below a value and a term set in that resolution. Instruments giving effect to those commitments are still executed under clause 14. The DSO will report every commitment made under this delegation to the Board monthly.
17. All cheques, electronic funds transfers, e-transfers, pre-authorized debits, bill payments, bank account changes, changes to banking platform access, and GIC applications require the approval of two (2) of the following:
 - a) President
 - b) Vice-President
 - c) Treasurer
18. Where the DSO or the bookkeeper prepares a payment on MSC's banking platform, preparing it is not approving it. The payment must still be released by two (2) of the persons named in this clause.
19. No cheque, e-transfer or other payment made out to a signing authority, or to a business or family member connected to that signing authority, may be signed, approved or released by that signing authority.

Expenses

20. All expenses will be supported with receipts and must be for the purpose of MSC business.
21. Approved expenses are to be claimed and reported no later than thirty (30) days following the date of the expense.
22. Any expenditure not approved within the annual budget will be approved by the Board prior to any such expenditure. Without the Board's approval, the expenditure will not be paid by MSC unless determined otherwise by the Board.
23. Purchases above a value set by the Board require documented competitive quotes. Any Representative taking part in a purchasing decision who has an interest in the supplier, or a personal or business relationship with the supplier, must declare it in writing before the decision is made and take no part in it. This applies whether or not that Representative is covered by MSC's Conflict of Interest Policy.

Accounts

24. Accounts receivable terms are net fifteen (15) days from the date of invoice. Member accounts are governed by the applicable Membership Policy and by section 8.04 of the By-law; where the terms differ, the By-law governs.

25. Accounts payable will be paid within the terms of the supplier invoice. Where no terms are specified, accounts will be paid within thirty (30) days.

Credit and Debit Cards

26. With the approval of the Board, MSC may acquire club credit and debit card(s) for the use of Board members or employees who are required to make purchases for expenses related to their duties on behalf of MSC. The Board will determine who receives credit and debit cards and what the card limitations will be.
27. Credit and debit card holders will be responsible for all purchases made on credit and debit cards issued in their name.
28. Credit and debit cards must only be used for authorized purchases of goods or budgeted items.
29. For the purposes of this Policy, expenses included in an annual budget as approved by the Board are considered to be authorized. Expenses that fall outside the approved budget must be approved before being charged or debited to a card.
30. Credit and debit cards are not to be used for any personal expenses and a cardholder who makes an unauthorized purchase with the card or uses the card in an inappropriate manner will be subject to cancellation of the card including reimbursement of the unauthorized expenses and any associated interest with late payment charges.
31. All expenses related to a card should be supported by a card receipt issued by the merchant and a detailed supplier invoice to confirm that the expenses are attributed to MSC business. These receipts and invoices shall be forwarded electronically to MSC's bookkeeper by the end of the month in which they were incurred, copied to the DSO and Treasurer.
32. Card disputes or potential fraud situations that arise between a cardholder and a merchant/vendor must be brought to the attention of the MSC Board immediately to facilitate an appropriate course of action. There are strict timelines for filing disputes and frauds with the Bank in order to ensure timely solutions and that no loss is incurred by the individual holding the card or by MSC. Those not reporting disputes or potential fraud will result in the loss of privilege of having a credit or debit card.
33. Under no circumstances are cash advances to be drawn on credit or debit cards.
34. In addition, Cardholders must:
- a) not allow another person to use the card
 - b) protect the pin number of the card
 - c) notify the Board and Bank if the card is lost or stolen
 - d) keep the card with them at all times, or in a secure location
 - e) surrender the credit or debit card upon ceasing to perform the role for which the card was issued

35. MSC's Bookkeeper must:

- a) Ensure that the credit card is paid in full on a monthly basis
- b) Review and reconcile the credit card statement on a monthly basis
- c) Bring to the attention of the DSO, copied to the Treasurer, any expense which does not appear authorized under this Policy. Where the expense is the DSO's own, report it to the Treasurer and the President.
- d) Follow up with the Treasurer who will direct the recovery from the cardholder any funds owing for unauthorized expenses

Expense Claims

36. Representatives may use personal credit cards and must submit properly completed claims electronically using the MSC Expense Template to the bookkeeper, copied to the DSO and the Treasurer, for purchases made in performing their duties for MSC. The DSO's own claims are approved by the Treasurer and the President. Expenses must be submitted by the end of the month in which they were incurred. Only expenses pre-approved by MSC's Board, or included in the annual budget, will be reimbursed, by the 20th of the following month.

37. Expense Template Claims must include:

- a. The exact amount of each separate expense
- b. The date on which the expense occurred
- c. The place and location of the expense
- d. The purpose of the expense
- e. A receipt for the expense (no reimbursement will occur without a valid receipt)

38. Expenses will be reimbursed at the rates set out in the following table, where the expense was approved in advance by the DSO, or by the President or the Treasurer in the case of the DSO's own expenses. All amounts are in Canadian dollars. The Board will review these rates annually.

Expense	Rate	Notes
Travel – Personal Vehicle Mileage	\$0.55/ Km	Mileage is calculated on return travel from MSC's designated home arena, currently Tomken Twin Arena, to the destination. A mileage template must be submitted. The rate is set by the Board and sits below the CRA prescribed rate, so no taxable benefit arises.
Carpooling		When multiple individuals are carpooling, only one claim may be submitted by the driver

Meal Expenses	Maximum \$75.00/day \$15.00 breakfast \$20.00 lunch \$40.00 dinner	Receipts required – alcoholic beverages are excluded from reimbursement
Accommodation	Double occupancy	Room assignments must comply with Skate Canada Safe Sport requirements. No adult shares a room with a skater under eighteen (18). Single occupancy will be provided where Safe Sport, a medical need, or an accommodation requires it.
Incidental Expenses	Actual cost	Receipt required. Approved in advance by the DSO, to a maximum set by the Board.

Declined Payments

39. MSC will charge \$25.00 for each declined credit card payment or other declined electronic payment, matching the Declined Payment Processing Fee in the Membership Policies.

Fraud

40. Any infraction under this Policy, including suspected fraud, mismanagement of funds, or financial irregularity, must be reported to the President and the Treasurer. Where the report concerns the President or the Treasurer, it goes to the other of them and to the Chair of the Finance Committee. Where it concerns the DSO, it goes to the President and the Treasurer. The Board will review each report in full, with supporting documentation, and determine the outcome. Further disciplinary action may follow under MSC's Dispute Resolution Policy. No person will be disadvantaged for making a report in good faith, whether or not it is substantiated. Anything alleging harm to a person under eighteen (18), and anything falling under Safe Sport or the UCCMS, follows the Skate Canada route immediately and is not dealt with under this Policy.

Operating Account and Reserves:

Operating Reserves

41. Operating reserves are funds built up over more than one year and held apart from regular operating expenses. They support MSC's mission and strategic priorities, absorb emergencies and unexpected costs, steady cash flow across the season, and demonstrate prudent stewardship.

42. Operating reserves are built from unrestricted operating surpluses. MSC will budget for an annual operating surplus and will hold unrestricted reserves of not less than six (6) months and not more than twelve (12) months of operating expenditures.
43. Operating reserves will be held in a dedicated interest-bearing savings account and in Guaranteed Investment Certificates, as determined by the Board. At least half of the Contingency Fund will be held in cash or in cashable GICs.

Working Capital Fund

44. The Operating Account holds MSC's general revenues and expenditures and tracks the assets and liabilities of day-to-day operations. It is unrestricted and is used for the costs of running the Club.
45. The Operating Account will be held at a minimum balance equal to one (1) month of operating expenditures, sufficient to keep cash flow stable across the season and to meet the minimum balance thresholds set by MSC's bank.

Contingency Fund

46. The Contingency Fund is intended to provide financial support for unexpected situations, including but not limited to:
 - a) sudden increases in expenses
 - b) one-time unbudgeted expenses
 - c) failure of a major asset
 - d) unanticipated loss or reduction in membership
 - e) uninsured losses
47. Contingency funds will be held in MSC's savings account or in cashable GICs, as determined by the Board.
48. The Contingency Fund is not intended to close an ongoing budget deficit. If the Operating Account falls below its minimum balance, contingency funds will be drawn on and replenished within a period set by the Board at the time of the withdrawal.

Restricted Fund

49. Restricted funds are funds MSC may not spend at its own discretion. Externally restricted funds are restricted by a donor, a grant agreement, or a licence, and include lottery proceeds. Internally restricted funds are amounts the Board has set aside for a specific purpose or project, which the Board may release by resolution. Both are tracked separately in the accounting ledger and reported separately to the Board. Neither counts towards the operating reserve target.

Funding of Reserves

50. The Operating Account will be funded from unrestricted operating revenues.
51. The Contingency Fund will be held at three (3) months of operating expenditures, approved by the Board on the recommendation of the Treasurer and the DSO, and may be funded from the Operating Account or from other unrestricted reserves as the Board approves annually.
52. The lottery account will be credited with all proceeds received from MSC's charitable gaming licence, currently Delta Bingo disbursements, and used only as the licence and the Alcohol and Gaming Commission of Ontario permit. These proceeds are externally restricted and are not reserves.
53. For the purposes of this Policy, operating expenditures means the average total operating expenditures of the three (3) most recent audited fiscal years, excluding amortization and excluding any expenditure funded from lottery proceeds.
54. Operating Reserves may be accessed at the discretion of the Board of Directors; however, prior to any withdrawal, the Board must approve a replenishment plan outlining the timeline and expected amounts required to restore the reserve balance.
55. Until the reserve target is met, the full audited annual operating surplus will be transferred to reserves. Once the target is met, the Board will decide the annual allocation and the use of any surplus above the target.
56. If reserves fall below the minimum target, the Board shall approve a written plan to restore them, setting out the amounts and the timeline.
57. The DSO and the Treasurer will report reserve balances against target in the quarterly monthly financial package to the Board.
58. Board will review all reserve funds against their targets quarterly and in full at fiscal year-end.