

Financial Policy of the Canadian Association for Conservation of Cultural Property (“the Corporation”)

Purpose:

The intention of this Financial Policy is to guide the Corporation in managing and documenting its financial activities, including record keeping, budgeting, investment, and revenue generation.

Finance Committee:

The Financial Policy is executed and reviewed by the Finance Committee under the auspices of the Corporation's Board of Directors. The purpose of the Finance Committee is to create and implement a financial plan for the Corporation as governed by this Financial Policy. Information on the composition of the Finance Committee and its specific tasks can be found in the Committee's Terms of Reference as passed by membership vote at the 2021 Annual General Meeting.

Internal Controls:

1. The Corporation is a federally registered charitable non-profit organization; this status requires that annual updates to By-Laws and Board member information be filed with Industry Canada's Corporate Registry.
2. The Treasurer, on behalf of the Finance Committee and, with approval of the Board of Directors, will provide direction and oversight regarding accounting practices and financial planning for the Corporation. The Treasurer will ensure that standard procedures are carried out by overseeing the duties of the Administrator and/or Bookkeeper, whose tasks are governed by this Financial Policy.
3. Two (2) designated signing authorities are required for financial transactions, including contracts.
4. Contracts must be signed by at least two (2) current signing authorities from the Corporation's Board of Directors: President, Treasurer, Secretary.
5. Contracts must only be signed after budgetary approval by the Board of Directors.

Conflict of Interest Statement:

6. All Directors and associated volunteers of the Corporation are expected to recognize and avoid any real or apparent conflicts of interest. In the

event that a conflict of interest is identified, the individual shall work with the Board to identify an appropriate solution. Individuals should identify any type of conflict of interest they anticipate may occur or already has occurred.

For the purposes of this Financial Policy, a conflict of interest is defined as any situation where:

(a) your personal interests, or

(b) those of a close friend, family member, business associate, corporation or partnership in which you hold a significant interest, or a person to whom you owe an obligation,

could influence your decisions and impair your ability to

(i) act in the Corporation's best interests, or

(ii) represent the Corporation fairly, impartially and without bias.

Source: <https://www.amcnposolutions.com/conflict-of-interest-in-not-for-profit-organizations/>

7. Any volunteer of the Corporation in a decision-making role may not materially benefit from employment by or sale of goods or services to the Corporation for a period of at least six (6) months following the end of the specified volunteer term (either by having reached the end of the term or through resignation). This includes members of the Board of Directors, Standing or Ad Hoc Committees, and Working Groups of the Corporation.
8. Volunteers may participate in open calls for contributions of content (e.g. art, photographs, audio or visual recordings) that result in compensation to the creator. However, those acting in decision-making roles may not participate in the approval process and must remove themselves from any discussion involving the open call.
9. Volunteers are eligible to apply for assistance from the Corporation's grants program, but must excuse themselves from any discussion of application approvals or other final decision-making process for that application period.

Accounting:

10. Daily transactions of the Corporation are carried out by the Administrator and/or Bookkeeper, under the oversight of the Treasurer.
11. The Corporation will use the accrual basis of accounting whereby revenue and expenses are identified at the end of each month.
12. Journal entries will be made by the Administrator and/or Bookkeeper and approved by the Treasurer.
13. Bank statements are to be reviewed by the Treasurer and reconciled with the accounts by the Administrator and/or Bookkeeper.

Financial Planning and Reporting:

14. The Corporation's fiscal year runs January 1 to December 31, with memberships renewable year-round.
15. The Treasurer will provide the Board of Directors with monthly financial reports at board meetings and copies of all financial documents to the Finance Committee for budgetary purposes and accountability.
16. An Annual Budget will be prepared by the Treasurer and Finance Committee to be presented by the Treasurer for approval by the Board of Directors prior to the start of the fiscal year.
17. The Annual Budget is based on forecasts using previous income and expenses, as well as anticipated additional costs as submitted by each Committee. The Annual Budget is then reviewed and approved by the Board of Directors
18. At the Annual General Meeting (AGM), an Accountant must be appointed by resolution of the members to conduct a full Financial Audit of the Corporation's finances. The Accountant must:
 - a. Be a member in good standing of an association or institute of accountants or incorporated under an Act of a provincial legislature.
 - b. Meet any qualifications established by a provincial legislature for individuals performing duties under the Canada Not-for-profit Corporations Act (e.g., provincial licensing).
 - c. Be independent of the Corporation, its affiliates, directors, or officers.

The Corporation will then engage the appointed Auditor to conduct an annual Financial Audit of the Corporation's finances.

19. The Corporation, through the Auditor of record, will file an Annual Return with the Canada Revenue Agency in accordance with requirements for registered charitable non-profits.
20. The Annual Report for the Corporation includes a Financial Report from the Treasurer and Finance Committee and is released no less than 30 days in advance of the Annual General Meeting.
21. A full review of all internal financial procedures will be carried out on a 3-year basis by the Finance Committee.

Revenues & Expenditures:

22. As a registered charitable non-profit, the Corporation's financial goals involve maintaining a balance of revenue and expenditures that support the mission of the Corporation.
23. Membership fees are collected on the basis of a rolling 12-month subscription. Membership fees are set according to the membership categories and are subject to change according to By-Law 3.3.1. Any changes to membership fees or categories are subject to approval by the membership through the Annual General Meeting or Special General Meeting (see By-Law 10.2.2).
24. Donations are accepted only through the Corporation's website or by cheque payable to the Corporation. This is to ensure that:
 - a. all donors are appropriately recognized, and
 - b. electronic tax receipts may be issued automatically whenever possible.

Tax receipts may be issued for any donation in excess of ten dollars (\$10.00). In the interest of transparency and accountability to our donors, all fundraising campaigns must be organized to direct donors to the Corporation's website and may not be promoted using third party fundraising platforms. Directed donations are encouraged as a means of:

- a. identifying and responding to membership priorities, and
 - b. supplementing contributions from operational funds.
25. Investments are held in order to generate interest that helps support the Corporation's grants program and capital projects, as well as to provide a reserve fund for emergencies.
 26. Disposition of assets amounting to more than 30% of the whole of the Corporation's assets, not including previously directed donations, requires an impact assessment by the Finance Committee, which will be responsible for recommending to the Board if the disposition should be put to a membership vote at the time of an Annual or Special General Meeting.

27. Any applications for grants in support of the Corporation or any of its Committees, Working Groups, or Regional Groups must be reviewed and approved by the Board prior to submission.
28. Advertising partnerships are welcome, but the Corporation does not endorse or guarantee the performance of any product or service.
29. Conference revenues and other professional development registration fees are collected in order to support these specific events. Any excess revenue is used to support general operating costs of the Corporation. Conference and workshop rates are set at a point to ensure cost recovery wherever possible and to avoid the need to subsidize the event using general revenue.
30. Silent auctions may be conducted for fundraising purposes, either for specific fundraising goals or to support general operations.
31. Sales revenue may include historical Corporation publications, the peer-reviewed Journal of the Corporation, and ephemera, such as buttons, cards, and other Board-approved items to promote the Corporation.

Procurement of Supplies and Services:

32. All expenses, including those related to Committee initiatives, must be paid out directly by the Corporation, or have received pre-approval for individual purchase by the current Board of Directors during the annual budget approval process, or on a case-by-case basis.
33. The Corporation is not responsible for expenses incurred by individual members or affiliated Regional Groups, Committees or Working Groups without prior approval; these expenses may not be reimbursed by the Corporation. All expenses must be paid directly by the Corporation or have received expenditure pre-approval by the current Board of Directors.
34. The Corporation shall hold one (1) Credit card in the name of the current Treasurer.
35. Requests for expenditures exceeding two thousand five hundred dollars (\$2,500.00) must be accompanied by a minimum of two (2) detailed quotes from vendors for evaluation.
36. Single sourcing or continuing vendor patronage may be considered with justification (e.g., quality assurance), but quotes from alternate vendors are required for evaluation every three (3) fiscal years.
37. In situations where a vendor does not produce a service contract, a standard Corporation contract must be used, with the vendor signing first, followed by two (2) designated signing authorities from the Corporation's Board of Directors.

Review of the Financial Policy:

38. The Finance Committee will review and submit an updated version of this Financial Policy to the Corporation's Board of Directors for discussion and Board approval prior to each Annual General Meeting.