



Date of Revision Approval: February 24, 2008

Purpose:

The purpose of this policy is to facilitate the Board of Directors (Board) in carrying out its duty to oversee the responsible management of all Girl Guides of Canada – Guides du Canada (GGC) monies and other assets, and to see that the financial planning and expenditure of all monies are consistent with the objects of GGC.

Definitions:

"**Councils**" refers to the administrative bodies of GGC, at the provincial, area, division or district levels (see Bylaws Glossary).

"**Indebtedness**" refers to any loans or contract liability of Councils (see Bylaw 4.10.1).

"**Internally restricted net assets**" are monies that have been put aside for a particular purpose and must be used for that purpose only, unless there is a decision to the contrary.

"**Misappropriation**" means any intentional, illegal use of the property or funds of GGC for one's own use or other unauthorized purpose.

"**Parent Council**" refers to the council that is next in the hierarchy of the organizational structure of GGC within the province to which a council reports.

"**Strategic Priorities**" refers to the priorities as determined by the Board from time to time as part of a national strategic plan.

"**Unrestricted net assets**" are monies that are not restricted for any particular purpose.

Policy:

Generally

1. Pursuant to the Act of Incorporation, as amended, and Bylaw 4.0, all financial, property and other assets are owned by the Girl Guides of Canada – Guides du Canada (GGC) and are the responsibility of the Board of Directors. All funds are to be used solely for the objects of GGC as contained in the Promise and Law, the Mission, Strategic Priorities and Goals.
2. The Board is accountable for the fiscal viability of GGC and thereby has the rights and obligations to direct, control and manage all GGC assets.
3. Provincial Councils administer the business and programming of GGC within the provinces in accordance with the policies and procedures of GGC (Bylaw 5.0) and bear certain responsibilities within their jurisdiction with respect to financial management and are accountable in that regard to the Board (Bylaw 5.2).
4. Staff, Members and volunteers charged with duties involving the management of financial or other assets (including real property) must have a valid police record check and possess the appropriate skills and experience commensurate with the specific duties and responsibilities assigned.
5. GGC shall be in compliance with all relevant laws in Canada at all times.



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Budgets and Reports

6. Every Council shall prepare an annual budget in consideration of an operation plan that is aligned with the Strategic Priorities of GGC and submit it to its parent council for approval and monitoring by October 31st. Provincial Councils shall submit their annual budget to the Board for approval and monitoring by the same date.
7. Unrestricted and internally restricted net assets should be no less than the equivalent of 3 months of a Council's annual operating expenses and no more than the equivalent of 12 months of its annual operating expenses.
8. All budgets should be balanced. In the event that a Provincial Council must budget for a deficit larger than 10% of its unrestricted net assets, it cannot do so without first obtaining the approval of the Board.
9. All Councils are responsible for preparing and submitting semi-annual (June 30th) interim financial statements with an accompanying analysis report to its parent council within 45 days of June 30th. Provincial Councils shall submit their June 30th interim financial statements to the Board.
10. Pursuant to Bylaw 4.4, all Councils, except for the Provincial Councils, must have their annual financial statements reviewed by a financially competent person from the parent council, or appointed by the parent council, unless the Council is externally audited by a public accounting firm. A written report of the results of the review must be submitted to the Council and the parent council. Any recommendation or issues must be followed up immediately.
11. The Provincial Councils must have their annual financial statements audited by a public accounting firm and submitted to the Board.

Borrowing and Indebtedness

12. The maximum indebtedness level set by the Board from time to time, pursuant to Bylaw 4.10, applies to all loans and contractual liabilities of all Councils within a province.

Financial Misappropriation

13. There is zero tolerance for the misappropriation of GGC monies or other assets, and GGC reserves the right to restitution.
14. Anyone who is alleged to have misappropriated monies or other assets of GGC shall be suspended pending an investigation, and until such time as they are terminated or reinstated to their position.
15. Any Member who is found to have engaged in financial misappropriation shall have her membership terminated by the Chief Commissioner.
16. Individuals and Councils are required to immediately report all cases of suspected financial misappropriation to the Provincial Commissioner or Chief Commissioner so that they may be dealt with on a timely and case-by-case basis.



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17. The Board reserves the right to report any case of financial misappropriation to the appropriate authorities for further action.

Effective Date:

The policy will be effective January 1, 2009, with the exception that the policy be effective immediately for Provincial Councils.