

# 2024 FINANCIAL AND BUDGETARY MANAGEMENT POLICY



## Preamble

The Board of Directors is responsible for the governance and performance of the Québec Golf Federation ("Golf Québec"). It has a duty of prudence and diligence. It has a duty to supervise, monitor and control the affairs of Golf Québec.

To ensure that the Board of Directors fulfills its role in line with best practice, it is essential to define the terms of delegation of Board powers, set limits, and establish control processes.

The objective of this policy is to ensure that Golf Québec's financial resources are well managed in the delivery of its service offering and are protected by balanced controls that allow for flexibility and risk management.

At all times, the amounts identified in this policy are in Canadian dollars.

## Delegation of Authority to Sign Contracts

The delegations of authority described in the Contract Awarding Policy apply to this policy.

## Delegation of Spending Power

The Finance and Audit Committee is responsible for reviewing the delegation of spending power at least once a year, and for limiting or revoking a person's spending power in the event of non-compliance issues being identified, or if internal controls do not mitigate the risks associated with the delegation.

The Executive Director is responsible for authorizing and paying expenses in accordance with the following conditions:

- a) The Executive Director is authorized to spend up to a maximum of \$50,000 without recourse to the Board of Directors, provided that the amount of the expenditure corresponds to the budgeted amount. Expenditures in excess of \$50,000 are subject to the recommendation of the Finance and Audit Committee to the Board of Directors.

Unless otherwise provided for in the budget, the Executive Director's spending power is limited to a maximum of \$10,000. If the expenditure exceeds this limit, the Executive Director must notify the Treasurer.

- b) Department Directors are authorized to spend up to a maximum of \$10,000 on matters falling within their jurisdiction, provided that the amount of the expenditure has been authorized by Executive Director.
- c) In accordance with certain exception procedures, staff members are authorized to spend up to a maximum of \$5,000 (limit of credit cards issued in their name), provided that the amount of the expense has been authorized by Executive Director.

## **Financial Planning and Budgeting**

In collaboration with the Finance and Audit Committee, the Executive Director draws up an annual operating budget to be adopted by the Board of Directors no later than three (3) months after the start of the financial year.

- a) New projects are specifically identified and their costs and benefits estimated for inclusion in the strategic planning and budget presented to the Board of Directors for approval.
- b) The Executive Director is responsible for monitoring cash flow against budget and reporting periodically to the Finance and Audit Committee.
- c) At each Board meeting, the Board receives a balance sheet and income statement prepared by the Executive Director on behalf of the Finance and Audit Committee. Cumulative expenditure for each budget item should aim to respect budgeted amounts. The Executive Director must present the following information to the Finance and Audit Committee so that it can identify and justify any significant variations:
  1. The current status of the budget item(s) concerned.
  2. Current status of revenue items related to variations.
  3. Reasons for variations.
- d) Audited financial statements are prepared by an independent auditor at the end of each fiscal year.
- e) These audited financial statements must be presented to the members' meeting by the Treasurer no later than four (4) months after the end of the fiscal year.

## **Placement Policy Statement**

A Placement Policy Statement is reviewed by the Finance and Audit Committee at the beginning of each fiscal year. It must be approved by the Board of Directors at the same time as they adopt the annual operating budget.

The Executive Director is responsible for managing investments in accordance with the policy adopted for the current year, and for presenting a periodic report to the Finance and Audit Committee.

## **Risk Management**

- a) The Board of Directors adopts a Risk Management Policy.
- b) The Finance and Audit Committee is responsible, on an ongoing basis, for identifying risks and recommending the implementation of processes to mitigate them.
- c) The Executive Director is responsible for:
  1. Implementing these risk mitigation processes.
  2. Ensuring that they are understood, respected, and carried out by all staff.
  3. Notifying the Finance & Audit Committee if any mitigation processes have not worked, and if they have not been sufficient to control risks satisfactorily.

## **Budget Management**

- a) The Executive Director is responsible for budget management in the execution of operations, including:
  - 1. Meeting with department managers to prepare budgets, taking into account each department's objectives and action plan, as well as new projects to be carried out in line with the strategic plan.
  - 2. Overseeing budgetary processes and procedures as well as their application.
  - 3. Informing staff members so that they all work in accordance with Golf Québec standards.
  - 4. Working with RLSQ's financial management department to supervise and approve the management of files entrusted to them.
  
- b) Each department director is responsible for the use of departmental funds for the purposes set out in the budget, both in terms of the nature of the expenditure and the amounts involved, including:
  - 1. Coding expenses in the appropriate budget items.
  - 2. In the event that revenues for certain projects exceed the budgeted amount, no additional expenses may be incurred on the project without following the procedure for approval of additional expenses described in the section entitled "Delegation of Spending Power".

## **Payment Procedures**

- a) Issuance of cheques
  - 1. At its first meeting, the Board of Directors appoints the signing officers of Golf Québec for the coming fiscal year.
  - 2. Two signatures are required on each cheque issued in the name of Golf Québec..
  
- b) Bundled electronic payments
  - 1. Golf Québec uses electronic payments to manage its day-to-day operations.
  - 2. A bank transfer file with supporting documents is prepared by the RLSQ financial management department.
  - 3. This file is sent by e-mail to Golf Québec's authorized signatories.
  - 4. Once a minimum of two (2) authorized signatories have approved the payment, it can be processed by the RLSQ financial management department and sent to Desjardins electronic services for supplier payment.
  
- c) Individual electronic payments
  - 1. The Executive Director may make individual payments to certain suppliers.
  - 2. In this case, the Executive Director makes the transaction directly with Desjardins and sends an e-mail to the President of Golf Québec to countersign the transaction, thus respecting the requirement to obtain two (2) authorized signatures.
  - 3. Once the payment has been made, the Executive Director provides the information to the RLSQ Financial Management Department for compilation.

d) Credit cards

1. The Executive Director has a credit card with a limit of \$10,000.
2. To facilitate the management of programs and services, credit cards may be issued to Golf Québec personnel, with a limit of \$5,000 each.
3. Credit card expenses must be approved by the Executive Director.
4. A credit card report must be submitted to the Executive Director at the end of each month, together with all supporting documents relating to each expense, before being processed by the RLSQ Financial Management Department.
5. In the case of the Executive Director's credit card, a monthly report is provided to the President.