



## **6.27 HEO Financial Policies**

### **6.27.1 HEO Finance Committee**

#### **Effective Date:**

Rev.1 February 2017

Rev. 2 May 2017

The HEO Finance Committee will be chaired by the President, HEO; in conjunction with the Board of Directors meetings. The Finance Committee shall include:

- President, HEO
- Vice-President, HEO;
- Past President, HEO;
- Director, Development;
- Director, Minor;
- Director, Junior;
- Director, Rules & Officials;
- Executive Director as resource person (non-voting); and
- Finance & Marketing Officer as resource person (non-voting).

Areas of responsibility will include the following:

- i. Establish policies for budgeting, financial reporting, banking and accounting operations for HEO's financial function;
- ii. Monitor the budget to ensure the resource allocation and utilization is commensurate with HEO's strategic priorities; matters that involve finances outside of the approved budget and outside of the designated limits in this policy shall be presented to the Board of Directors with recommendations from the Finance Committee;
- iii. Recommend financial adjustments considered necessary to meet HEO's strategic priorities to the Board of Directors for approval and implementation;
- iv. Adjust the budget should Hockey Canada's fee structure change after the budget has been approved;
- v. Present financial reports or a synopsis thereof as well as reconciliation reports at each Board of Directors meeting;
- vi. Finance meetings will be called by the Chair when needed;
- vii. Review funding applications and ensure democratic control of all of the Branch's finances and in setting financial priorities;
- viii. Ensure that HEO's assets are well cared for, maintained and/or upgraded as required;
- ix. Establish the contract policy for the Branch;
- x. Ensure that there are enough monetary and physical resources to operate the organization;
- xi. Ensure that the financial audit of HEO's operations is conducted annually.

### **6.27.2 Planning/Budget Cycle Key Dates**





June	HEO Board and joint Board/Executive Director and her staff to review last year's Strategic Plan and hold a strategic planning session for the upcoming year;
September	HEO Board reviews Branch Incidentals – Mileage Rate, Telephone, Internet & Per Diem rates
October	Review the submission by Minor, Junior and Rules & Officials of proposals for projects which they would like to have included in the business plans and budgets of the Branch Operations, Development and Risk & Safety portfolios.
November	Review the submission of business plans and budgets for Branch Operations, Development and Risk & Safety portfolios.
January	Executive Director and the Finance Committee to finalize the Five Year Business Plan and HEO Strategic Plan and hold strategic planning sessions for the upcoming year;
February	Presentation of Annual Plan and Budget to the Board at an in-person meeting; seek approval of budget in principle; increases in membership shall be given notification one (1) year in advance of its implementation;
March	Advise the Minor and Junior Councils as well as the Development and Rules & Officials Committees, respectively, of the highlights of the budget including any potential fee increases;
April	Board of Directors to formally approve the budget prior to the start of the fiscal year.

### **6.27.3 Financial Investments**

- i. The four main investment categories for HEO funds are:
  - a) Fixed income;
  - b) Preferred shares;
  - c) Common shares; and
  - d) Mutual funds;
- ii. The selection of the types of investments to be made on behalf of the Branch as well as the ratios of these investments are approved by the Finance Committee and administered by the President, Vice President and Executive Director;
- iii. Investment income is comprised of interest earned on fixed income instruments, dividends paid on common shares and preferred shares, net unrealized gains and losses due to changes in the market value of investments and other sources;
- iv. Based on a recommendation from the Finance Committee, the Board of Directors may:
  - a) Host an annual meeting with the private sector banking institution is attended by the President, Vice President and Executive Director to ensure that the Branch's recommended investments are in the best interest of the Branch;





- b) Monthly bank balances are provided to and reviewed by the Finance Committee;
- c) An annual report of the investment accounts is included in the annual financial statements provided to the members at the Branch's AGM.

#### **6.27.4 Financial Signing Authorities**

- i. HEO shall designate three signing officers annually that will include the President, Vice President and Director, Development in addition to the responsibility also being delegated to the Executive Director;
- ii. Each cheque must be signed by two of the designated signing officers or a combination of one of the signing officers and the Executive Director; and
- iii. All cheques charged against the Development budget must be signed by the Director, Development and one other signing officer.

#### **6.27.5 Budget Breakdown/ Financial Reporting**

- i. The HEO budget is sub-divided into three main portfolios which are further sub-divided by revenue and expenditure categories;
- ii. The three main portfolios are:
  - a) Branch Operations;
  - b) b)Development; and
  - c) Risk & Safety;
- iii. Due to the broad scope of business administered by the Branch, the three main portfolios are sub-divided into cells which identify all of the expenditure and revenue pertaining thereto;
- iv. The posting or revenues and expenditures against the various cells are reconciled on a monthly basis and a financial status report is prepared and provided to the members of the Finance Committee 7 days before its monthly meeting, listing by portfolio and individual cell, the totals for:
  - a) Previous year total;
  - b) Budget for current year;
  - c) Actual year-to-date amount for current year;
  - d) Projected total amount for the current year with a supporting note of the expected date accompanying the cell;
  - e) Variance amount in dollars; and
  - f) Variance amount as a percentage;
- v. Based on a monthly reconciliation exercise conducted by the staff of the office of the Executive Director, the Financial Status Report is provided to the HEO Finance Committee for its review on a monthly basis with recommendations based thereon provided to the Board of Directors on an as required basis;
- vi. An Accounts Receivable report listing all of the outstanding accounts receivable listed by name, total, current amount owing, 31 to 60 days outstanding, 61 to 90 days outstanding and 91+ days is prepared and provided to the HEO Finance Committee at its monthly meeting;





- vii. A statement listing the status the HEO investments is provided on a monthly basis to the HEO Finance Committee;
- viii. Annually, subsequent to the end of the fiscal year (April 30th) and prior to the Branch AGM in June, a firm which has been recommended by the HEO Finance Committee and approved by the Board of Directors will conduct an audit of the Branch's financial operations;
- ix. The purpose of the audit is to assess the financial position of HEO as of the year-end and its results of operations, changes in net assets and its cash flows in accordance with Canadian accounting standards for not-for-profit organizations;
- x. The annual audit report provided to the HEO Finance Committee as well as to the Board of Directors and to the members of the Branch at the AGM includes the following documents:
  - a) Statement of Financial Position;
  - b) Statement of Revenue and Expenses;
  - c) Statement of Changes in Net Assets;
  - d) Statement of Cash Flows;
  - e) Depreciation of Assets;
  - f) Notes to Financial Statements; and
  - g) A covering letter declaring the overall findings of the audit of the Branch's financial records as well as its financial operations' policies and procedures.

#### **6.27.6 Expense Policy**

- i. The purpose of the expense policy is to ensure consistent and equitable treatment of those carrying out duties and functions on behalf of HEO to provide for the reimbursement of reasonable expenses so incurred;
- ii. Such reimbursement shall not constitute income or other compensation for personal gain;
- iii. This policy applies to employees, board members, council members, clinic instructors and those carrying out duties and responsibilities on behalf of HEO;
- iv. People travelling on branch business, including for training or developmental programs, shall be afforded transportation and accommodation that are comfortable and of good quality; allowances, rates and conditions of payment and reimbursement shall be sufficient to meet reasonable, legitimate expenses that are necessarily incurred as a result of the requirement of travel;
- v. Any share of expenses applicable to spouse, partner, other relatives or friends travelling with the individual shall not be reimbursed, except for flight, banquet, special event and companion itineraries while the HEO member is attending an annual Hockey Canada Spring Congress meeting; and
- vi. Whether travelling within or outside the Province, the most economical mode of transportation should be used.





### 6.27.7 Expense Accounts

This section sets out the general guidelines under which persons may receive reimbursement for expenses incurred in the course of HEO business.

- i. Out of Branch Travel: all out of province travel must be approved in advance; if such travel is a regularly occurring situation then it should be submitted for inclusion in the annual budget; all other requests for out of province travel may only be undertaken with the prior approval of the Executive Director;
- ii. Use of Credit Cards: Personal credit cards may be used for payment of expenses and those claiming reimbursement of such expenses must provide an itemized receipt or invoice which indicates that the charge has, in fact, been paid; only the President, Vice President, Director, Development and the Executive Director are authorized to utilize credit cards in the name of HEO;
- iii. Attendance at Luncheons, Conferences, etc.: A person may claim the related expenses of attending a luncheon, business meeting, dinner, conference or convention; such claims must specify how such expense is related to HEO business and must be approved in advance by the Executive Director;
- iv. Entertainment/Hospitality: Entertainment/hospitality expenses must have the prior approval of the Executive Director; when such expenses are incurred, the claim form must indicate the HEO related purpose of the entertainment/hospitality and the persons entertained/involved;
- v. Receipts: Receipts are required for all expenses claimed except for mileage; Per diem meal allowance do not require the submission of receipts; however, if a person is claiming reimbursement of meal expenses above the per diem allowance then receipts for such meals are required;
- vi. Car Rental: When a Branch representative travels by air and a car rental is necessary to travel to the meeting/event site the cost of the rental plus the appropriate insurance as well as the cost of fuel will be reimbursed; car rentals will be arranged through the Branch office;
- vii. In Branch Volunteer Travel: The President, Vice President and/or the Executive Director is responsible for the authorization of all travel claims;
- viii. Miscellaneous:
  - a) Movies and mini bar charges are a personal cost and are not to be claimed;
  - b) Laundry services are the Branch representative's responsibility;
  - c) One (1) 15-minute personal telephone call per day may be claimed for reimbursement; and
  - d) The cost of Internet access, if not provided by the hotel, may be claimed for reimbursement;
- ix. Example to Determine Most Fiscally Responsible Travel:

<u>Personal Vehicle</u>	<u>Air Travel</u>
Mileage - \$650.00	Ticket - \$350.00





Gas allowance - \$135.00

Total = \$785.00

Car Rental - \$150.00 (includes fuel)

Total = \$600.00

Therefore, if you choose to use your personal vehicle, you would be reimbursed using the air travel amount (\$600.00) i.e., the lesser of the two amounts. Similarly, if the air travel and car rental equaled \$785.00 and your personal vehicle use totaled \$600.00, you would be reimbursed for the personal vehicle amount—again, the lesser of the two amounts.

#### **6.27.8 Expense Claims**

- i. Anyone requesting reimbursement of expenses must submit an HEO Expense Claim duly signed by the person submitting the claim with all applicable receipts attached;
- ii. The President, Vice President, Director of Development and/or the Executive Director have full authority to question any item or any expense claim submitted; expense claims will not be paid until they are properly submitted as set out above; and
- iii. Purchases made on behalf of HEO shall be approved by the Finance Committee in advance if in excess of \$1,000 if they are not already part of the approved budget.

#### **6.27.9 Ground Transportation**

- i. If a person's privately owned vehicle is used for authorized branch business travel, transportation expenses will be reimbursed at the rate of \$.50 per kilometer ; this rate shall be reviewed by the Finance Committee during the annual budgeting process and any change thereto is subject to the approval of the Board of Directors;
- ii. Authorized branch travel includes attendance at HEO Board meetings, Council meetings and other related hockey meetings or activities;
- iii. Claims may only be submitted for trips in excess of 20 kilometers one way and, unless authorized in advance for special circumstances, will be for the trip from the individual's residence directly to the meeting or activity; charges for bridge, ferry, causeway tolls and parking fees incurred on Branch business may be claimed;
- iv. HEO is not responsible for damage to or loss of motor vehicles when used for travel, as described above, no matter how such loss or damage is incurred; HEO is not responsible for reimbursing anyone for insurance premiums, for deductible amounts related to insurance coverage or for any judgments or uninsured losses incurred;
- v. It is the responsibility of the individual claiming travel expenses to carry insurance in the minimum amount of one million dollars (\$1,000,000) against liability for bodily injury and property damage by reason of the operation of his/her motor vehicle on HEO business; it is the responsibility of the individual to advise his/her public liability insurer that his/her vehicle is being used for HEO business; and
- vi. Whenever possible, every effort should be made for individuals on HEO business to travel together so that only one travel claim will be submitted.





#### **6.27.10 Air Transportation**

- i. All required air travel should be booked by the HEO office staff;
- ii. Air fare should be booked in economy class and at the lowest fares available for the particular itineraries; significant savings can be realized when trips are planned and arranged as far in advance as possible so as to make them eligible for reduced fares;
- iii. Those traveling to and from an airport on HEO business or to attend a meeting on behalf of HEO shall be reimbursed for such travel in excess of 20 kilometers one way from the individual's home to the airport; parking charges, if necessarily incurred, will also be reimbursed;
- iv. If a family member drives the individual to, or picks them up from, the airport, all distances driven shall be reimbursed as above (if over 20 kilometers one way).; the amount claimed must be based on the most direct route and the cost of each round trip claimed shall not exceed the one-way taxi fare;
- v. The cost of transportation to and from an airport to the out of province meeting site or activity may be claimed; whenever possible, such travel should be by airport bus; applicable receipts must be included with the submitted expense claim.

#### **6.27.11 Accommodations**

- i. The Branch representative shall stay at the designated accommodation site; however, should the Branch representative choose not to stay at the designated site, cost of the accommodations will be borne by the Branch representative if it exceeds that of the designated site;
- ii. All accommodations for traveling on HEO business must be reserved through HEO's office staff; where available, single room accommodation that is conveniently located and comfortably equipped shall be authorized;
- iii. Hotel room charges and taxes for individuals traveling on HEO business are to be paid by direct invoicing to HEO; should a situation occur where direct invoicing is not available, the individual shall pay the hotel costs personally; a copy of the hotel receipt must be attached to the expense claim when seeking reimbursement of such expenses; and
- iv. Should travel plans change and the accommodations not be required, that individual shall ensure that reservations are cancelled either through the HEO office or directly with the hotel; all costs for reserved rooms, which have not been cancelled in such circumstances, will be the responsibility of the person for whom the reservation was made and will be charged back to that person for payment; at the discretion of the HEO Finance Committee cancellation fees may be covered by HEO.

#### **6.27.12 Per Diems**

- i. Individuals traveling on HEO business may claim reimbursement for meals that are not otherwise provided or paid for by the program or meeting being attended or covered by the registration fee; receipts for same are not required;





- ii. The per diem rates are:
  - Breakfast \$25.00
  - Lunch \$35.00
  - Dinner \$45.00
  - Incidentals \$15.00Total - \$120.00 per day
- iii. For each day or part day in travel status, the traveler will be reimbursed \$15.00 for incidental expenses;
- iv. Per diems will not be paid for in-province travel unless approved in advance by the Finance Committee or the Executive Director;
- v. Members claiming per diem must submit a per diem form upon completion of their travel for reimbursement; and
- vi. Based on travel duration, advance payments may be provided.

#### **6.27.13 Mileage Rates for HEO Staff/Board/Committee Members**

- i. Individuals traveling on HEO business may claim reimbursement for mileage accounting for the cost of gas and the wear and tear on a vehicle,
- ii. The Mileages rates are:
  - \$0.50/per kilometre
- iii. The HEO Mileage rate will be reviewed annually according to the Budget/Planning Cycle Key Dates found in 6.28.2

#### **6.27.14 Internet/Telephone Stipend Rates for HEO Board Members**

- i. Individual Board Members using their personal phone or internet for HEO business may claim reimbursement for these communication services.
- ii. HEO will also provide Board Members with the opportunity in lieu of using their personal phones to take part in the HEO Cell Phone Plan. Board Members participating in the Cell Phone Plan may not claim personal phone expenses as the Cell Phone costs should be used for HEO Business
- iii. The Monthly rates are:
  - a) \$40/per month for Telephone
  - b) \$75/per month for Internet
- iv. The HEO Communication rates will be reviewed annually at the Budget/Planning Cycle Key Dates found in 6.28.2







#### **6.27.15 Clinic Instructors**

Instructors shall be reimbursed for travel, meals and services rendered as follows:

- i. If an overnight stay is required, the instructor is entitled to the breakfast (\$25.00), dinner (\$45.00) and incidentals (\$15.00) and receipts must be provided; if lunch is not served by the host then the lunch per diem (\$35.00) may be recovered;
- ii. For certification type clinics (Initiation Program/Coach 1, Coach Level/Coach 2 and Development 1) the instructor is reimbursed at a rate of \$30.00 per hour plus mileage at \$.50/km for trips in excess of 20 km one way;
- iii. For the review and assessment of Development post tasks, the instructor receives a fee of \$15.00 per task;
- iv. For specialty clinics, the host organization is invoiced by HEO at a rate of \$85.00 per hour while the instructor receives \$60.00 per hour plus mileage for trips in excess of 20 km one way;
- v. For the HEO Lecture Series, the instructor receives a fee of \$60.00 per hour plus mileage for trips in excess of 20 km one way;
- vi. For officiating clinics, the instructor is reimbursed at a standard rate of \$125.00/clinic plus mileage at \$.50/km for trips in excess of 20 km one way; and
- vii. Rates paid to clinic instructors shall be reviewed annually by the HEO Finance Committee in conjunction with the Director, Rules & Officials and/or the HEO Development Committee.

#### **6.27.16 Officiating Rates**

- i. Game officiating rates for officials shall be negotiated on a triennial basis by the Director, Rules & Officials with the Referee-in-Chief for HEO Minor on behalf of the officials for minor hockey and with representatives for the three junior leagues for junior hockey on behalf of the officials assigned to junior hockey; and
- ii. The officiating rates are listed in Appendix "A"—Officiating and Supervision Rates.

#### **6.27.17 Supervision Rates**

- i. The Supervision rates for both minor and junior hockey are negotiated between the Director, Rules & Officials and the HEO Finance Committee; and
- ii. The supervision rates are listed in Appendix "A"—Officiating and Supervision Rates.

#### **6.27.18 Communications (Telephone/Internet) Expenses**

- i. The payment of communication expenses is intended to reimburse members for actual and reasonable expenses incurred on HEO business;
- ii. Actual long-distance telephone expenses incurred for related HEO business will be reimbursed upon submission of an expense claim accompanied by detailed telephone/cell phone bills highlighting related long distance expenses; such expense claims are to be submitted monthly for reimbursement;





- iii. HEO will not reimburse Board/Council members for internet access at their home unless such expense has otherwise been approved and included in the HEO operations budget; if such expense has been approved, expense claims with the supporting documentation are to be submitted monthly; and
- iv. HEO will not reimburse for late charges.

#### **6.27.19 Bursaries**

- i. The Finance Committee reviews, on an annual basis, the status of the bursary portfolio for the Branch and recommends any revisions deemed necessary to the Board of Directors for consideration and approval;
- ii. The existing HEO bursaries are as follows:
  - Dwaine Barkley Bursary in the amount of \$2,000;
  - BF Lorenzetti Bursary in the amount of \$1,000; and
  - Three HEO Bursaries in the amount of \$1,000 each;
  - Ottawa 67's in the amount of \$1,000;
  - Kelly Santini in the amount of \$1,000;
  - Smith, Petrie, Carr & Scott in the amount of \$500;
  - Offices of Councillor Bob Monette & Jody Mitic \$250 each;
- iii. Notices of the availability and application requirements for these bursaries are posted annually on the HEO website;
- iv. Applications are reviewed by the office of the Executive Director; and
- v. Cheques are presented to the successful applicants at the HEO AGM each June.

#### **6.27.20 Fines/Appeal Cheques**

- i. Revenue collected by way of a fine imposed by HEO or collected as a result of a failed appeal shall be deposited in HEO's general bank account;
- ii. Any costs that may have resulted from the action that initiated the fine shall be paid out to the appropriate association/team;
- iii. The HEO Appeals Committee has the right to return one-half (1/2) of the appeal cheque to the appellant if the appeal was accepted; and
- iv. The balance remaining from the fine shall be allocated to the general bank account;

#### **6.27.21 NSF Cheques**

- i. There shall be a charge of \$50.00 on all NSF cheques; and
- ii. The amount outstanding including the NSF charge is to be recorded on the monthly Accounts Receivable report;





## 6.27.22 Legacy Funds

- i. HEO receives Legacy Fund contributions from Hockey Canada on an annual basis and the distribution thereof is based as follows: 85% towards HEO Minor, 10% towards the three Junior leagues and 5% towards the Officiating portfolio;
- ii. Access to the funds is restricted to the purposes as set out in the agreement;
- iii. All requests for funds are reviewed by the HEO Finance Committee and recommended for approval by the Board of Directors.

## Appendix “A”—Officiating and Supervision Rates

- i. The officiating rates for junior and minor hockey will be negotiated and posted on a triennial basis;
- ii. The supervision rates for junior hockey are \$25.00 plus mileage at \$.50/km for exhibition and regular season games and are \$50.00 plus mileage at \$.50/km for play-off games;
- iii. The supervision rates for minor hockey are:
  - a) \$25.00 plus mileage at \$.50/km for a 60-minute game;
  - b) \$30.00 plus mileage at \$.50/km for a 90-minute game; and
  - c) \$35.00 plus mileage at \$.50/km for 120-minute game.

