

MANAGING THE MONEY

The Non-Profit Board Treasurer's Areas of Responsibility

The Treasurer serves one of the most important functions on the Board: ensuring that an organization manages its money responsibly, maintaining financial health and credibility in the eyes of all of its stakeholders (funders, CRA, society members, etc).

The Treasurer has four major areas of responsibility:

- 1) Creating and managing budgets,
- 2) Ongoing monitoring/tracking of financial activities,
- 3) Reporting on financial status, and
- 4) Setting up the organization's financial systems (in the case of a new society).

There are many tasks and activities in each of these areas that, at the discretion of the Board, can be delegated to an outside bookkeeper, staff or other volunteers as appropriate; **however the Treasurer maintains responsibility for overseeing and reporting on all delegated activities.**

Creating and Managing Budgets Treasurer responsibilities	Can be delegated?	How to Delegate?
Set yearly financial goals	Yes	ED
Review previous year budget and actual revenues and expenditures	Yes	ED
Identify potential/expected sources of revenues and expenditures	Yes	ED
Develop Organization Budget for Board approval	Yes	ED
Develop Cash Flow budget	Yes	ED

Ongoing Financial Tracking/Monitoring Treasurer Responsibilities	Can be delegated?	How to Delegate?
Review and update financial policy and procedure as required	Yes	ED
Monitor ongoing adherence to financial policy and procedures	No	
Ensure all vendors are paid in a timely manner	Yes	ED/staff/vols
Ensure employees and all payroll deductions are paid in a timely manner	Yes	ED/staff/vols
Sign cheques as required (Treasurer <u>must</u> sign, one additional can sign)	No	
Make deposits of revenue received as required	Yes	ED/staff/vols
Reconcile monthly bank and visa statements; check for discrepancies	Yes	ED/staff/vols
Reconcile petty cash	Yes	ED/staff/vols
Ensure details of ALL financial transactions occurring in each month are coded and recorded properly,, and back-up documentation is kept	Yes	Paid bookkeeper
File all original receipts, reports, etc	Yes	Paid Bookkeeper
Prepare monthly income statement and balance sheet	Yes	Paid Bookkeeper
Issue and track charitable receipts	Yes	ED/staff/vols

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Reporting of Financial Status Treasurer Responsibilities	Can be delegated?	How to Delegate?
Analyze and present financial statements at each meeting of the Board	No	
Prepare financial reports for funders as required	Yes	ED
Work with Accountant to prepare yearly financial report for AGM	Yes	ED
Prepare Treasurer's report for AGM – explain overall financial status of organization	No	
Keep Societies and Charitable status up to date	Yes	ED/staff/vols
Provide financial report to general membership when requested - as per Societies By-laws	Yes	ED/staff/vols

Setting Up Financial Systems (new group only) Treasurer Responsibilities	Can be delegated?	How to Delegate?
Develop financial policies and procedures for Board approval (financial controls) ^(see note below)	Yes	ED
Research/recommend options for bookkeeper	Yes	ED
Develop Chart of Accounts (determine line items and coding required)	Yes	Paid bookkeeper
Determine appropriate bookkeeping software or method	Yes	Paid Bookkeeper
Develop templates for monthly financial reports	Yes	Paid bookkeeper
ID Accountant to perform Audit/Review function	Yes	ED
Build hard copy and e-copy filing systems	Yes	ED/staff/vols
Open bank accounts, set up account signatories	Yes	ED/staff/vols
Open VISA account if required	Yes	ED/staff/vols
Apply for GST number/Charitable Number as required	Yes	ED/staff/vols
Set up WCB account	Yes	ED/staff/vols
Set up employee deductions CRA account	Yes	ED/staff/vols
Create charitable receipts (ensure CRA specific requirements followed)	Yes	ED/staff/vols

NOTE: For an excellent guide detailing policy areas to cover, consider investing in 'Model Policies and Procedures for Not-For-Profit Organizations' by Edward J. McMillan, CPA, CAE (2003), available through John Wiley and Sons Publishing

When discussing how to delegate, it is helpful to for the Board to keep the following questions in mind:

What type of Board do we have? How big is our budget? How simple or complex will our system need be? What accounting/bookkeeping skills does the Treasurer have? What other people resources do we have? ED/staff/other volunteers to help? What are their skill sets?