



Manitoba Crafts Museum and Library

FISCAL MANAGEMENT AND OVERSIGHT POLICY

1. INTENT

MCML strives to practice responsible financial activities and to ensure there is effective financial oversight. This policy is designed to protect the assets of the MCML, ensure the maintenance of accurate records of MCML's financial activities, provide a framework of operating standards and behavioral expectations, and ensure compliance with legal requirements and best practices.

2. DEFINITIONS

Chart of Accounts is the framework for the general ledger system used by MCML to keep track of financial activities.

Audit or Review is the process of auditing or reviewing the financial activities of the organization by a Certified Professional Accountant.

Income Statement is the financial report that reflects all the financial activities in a specific period of time, also described as the Statement of Profit and Loss.

Balance Sheet is the financial report that reflects MCML's assets and liabilities at a point in time

Signing Officers are individuals vested with the responsibility for signing cheques and contracts

3. GENERAL ACCOUNTING PROCEDURES AND OVERSIGHT

3.1 The accounting system follows generally accepted accounting principles (GAAP).

3.2 The fiscal year is January 1 through December 31.

- 3.3 Each year an audit or review shall be conducted by a Certified Professional Accountant approved by the members. The results of this audit shall be presented in accordance with legislation.
- 3.4 Monthly financial statements, including the income statement and balance sheet shall be presented to the Board at each regular meeting of the Board

4. BUDGETS

- 4.1 The annual budget for the fiscal year is prepared by the Curator in consultation with the Treasurer and the Co-Presidents.
- 4.2 The Board of Directors approves the budget annually, as early in the fiscal year as reasonably possible.
- 4.3 Monthly financial statements are compared to the budget in order to monitor the actual results.
- 4.4 The budget is reviewed mid-year and adjusted as necessary to reflect changing conditions. The Board of Directors must approve any proposed changes in the budget which exceed \$2,000.00.

5. SIGNING OFFICERS

- 5.1 The Board of Directors shall appoint the signing officers for the organization in accordance with the By-Laws.
- 5.2 The signing officers shall be the Treasurer, the Executive Director, the Co-Presidents, and any other individuals as approved by the Board of Directors in accordance with the By-Laws.
- 5.3 No cheque shall be signed by the recipient of the cheque.
- 5.4 Blank cheques are never signed in advance.

6. PURCHASING

- 6.1 Purchasing shall be done on the basis of ensuring cost-effectiveness. Whenever reasonable, purchases shall be made based on the most inexpensive options.
- 6.2 Any purchases over \$2,000 shall require a minimum of three quotes if reasonably possible.
- 6.3 The Curator must seek approval from the Board of Directors for any expenditure above \$5,000 and/or any contract that exceeds 5 years in length or exceeds \$5,000 in cost over the length of the contract.

7. INVESTMENTS

The investment objectives of MCML, in order of importance, are the safety of principal, liquidity, and a competitive rate of return. Investment restrictions may, at the discretion of the Board of Directors, include such issues as quality, diversification requirements, or social issues.

8. POLICY REVIEW

This policy shall be reviewed at least once every three (3) years.

Date adopted by the Board of Directors: 1 June 2022

President

Date