



CALGARY AREA BEST PRACTICES FOR FINANCIAL REVIEW

In an effort to create some consistency within the Area, and to ensure the GGC Financial Guidelines are being followed, we have developed the following tips for your use. They are what CALGARY Area expects to see on the District financial records and what you should expect from your units. These items have been compiled as a result of the review of all the District books.

1. Depending on your area requirements, the ledger used must be a GGC hardcopy (paper) or an electronic version from the Provincial website. If you are printing the spreadsheet, please ensure it is printed in at least **12 font**. (Exceptions to this format can be approved by the Area Treasurer/Deputy Area Commissioner)
2. Please reconcile your bank statements in the area provided on the back of the ledger, not at the bottom of your bank statement.
3. If the District submits their financial package in a complete format, by the date prescribed, the reviewers will make every effort to have the financial package returned by the promised date.
4. For the information required regarding the units, please input into a Duo-Tang or Report cover so we can keep it in on file. Please do not send items in loosely or paper clipped together. Receipts can be taped onto 8 ½ x 11 paper and inserted into your binder for ease of filing.
5. There is no need to send in your entire cheque book. Just staple the cheque stubs to the appropriate bank statement. The same applies to your deposit book. Staple the deposit slips to the corresponding bank statement. On your deposit slip, list each item that is being deposited, not just one lump sum. Do not send your items in various Safeway Bags used as a folder system. It makes it very difficult for us to do your review. (you may also choose to bind the cheque stubs all together and the deposit slips all together. This is acceptable as well)
6. You must submit either the original or copies of your cancelled cheques. Most banks send you copies printed on a sheet. One or the other is required.
7. It is not recommended to have two family members sign the same cheque. Please make sure you have another authorized signer. They should also not sign cheques to another family member or themselves. All cheques **MUST HAVE** 2 signatures on them.
8. When submitting the financials, please include a copy of the previous year's Annual Financial Report as this is needed to properly review the present year's financials.
9. Please include a copy of the FR1 if applicable to your situation. FR1's approved in prior periods, when fundraising occurred in subsequent periods, must be included.
10. If you have comments that you would like to make known to the reviewer, please attach a note at the front of your records. This will help us understand a situation which may be present quickly.

Area

Financial Review Expectations – 2016

Districts are expected to submit financial records to CALGARY Area as outlined below. All items are to be compiled by the District Commissioner/Treasurer and given as a complete package (not individual packages). An email submission of financial records is not acceptable, but may *accompany* your financial package. If you are utilizing the financial spreadsheet, please remember to print it in a readable font.

Districts

- Cover Sheet
- Annual Financial Report (Annual Report)
 - The treasurer must complete the Annual Financial Report in full
- Financial Review Checklist
 - The front page of the Financial Review Checklist must be completed in full, together with the Report of the Volunteer Financial Reviewer section on the back page
- Financial Recordkeeping Forms (Main Form or ledger)
 - Important – all line items should have an OK next to the Notes Column – if not the spreadsheet is not balanced and your Annual report will not populate correctly
 - Proofing: Note the summaries at the bottom of this sheet. If Revenue/Deposits and Expenses/Cheques do not balance, then you must correct
- Bank statements with receipts matched to the cancelled cheques (originals in all cases or copies if that is what your bank provides)
- Cheque book or cheque stubs pertaining to the period
- Deposit book(s) pertaining to the period
- Receipt books
- Summary records for cookies, events, camps (where applicable)
 - AB.26 Cookie Inventory Sheet is mandatory
 - GST Summaries, and copies of Remittances/Claim
 - Rent Reconciliation for Current and prior period
- Explanatory Notes tab – include if additional explanation is required for any non-typical financial transactions or scenarios.
- Prior year's Annual Financial Reports and Financial Review Checklists
- Any FR.1's pertaining to the District along with event summaries
- Copies of minutes that pertain to financial motions
- Applicable current year budget
- List of all bank accounts, bank locations, signing authorities and bank balances as of **either June 30 or December 31 of applicable year.**
- District Compliance document signed by the District Commissioner

Along with the above district financial records, CALGARY Area also requires the copies of information from each unit as outlined below. Please compile all unit information in one folder (e.g. duo-tang, binder, etc.) and label. Please make sure the copies are legible (use darker settings on copier if required). These items are kept on file at the area office and **will not be returned**:

- Copy of Annual Financial Report
- Copy of Financial Review Checklist (entire document), including Reviewers comments
- Financial Recordkeeping Forms (Main Form or ledger)

Units

Units must submit a similar package to their District Treasurer. The reviewer requires **all the documentation outlined above as well the following:**

- Dues and Attendance Record books (if used)
- Unit roster
- AB.26 Cookie Inventory Sheet is mandatory.
 - Plans for selling any excess cookies. Be sure to note this on the review. The location and condition of all remaining cookies over 5 cases must be verified by the District Commissioner/District Treasurer
- For units engaged in fundraising:
 - The financial records must include the fundraising account balance along with the listing of individual credits;
 - All approved FR.1s and SG.8s must be included in their financial records;
 - Fundraising event summaries must be included;
 - It is not suggested that units who are fundraising open separate bank accounts but if they do so, both accounts must be included for review on the same twice yearly schedule. Accounts must be titled as – *Girl Guides of Canada – Name of Entity – Travel Group*.
 - The travel account must also be included on the summary of banking information.
 - NOTE:** For units engaged in fundraising, all financial records (as outlined in the district submission above) must be submitted for financial review by Area.

If districts are unable to review all unit books by the deadline, please complete the review for the units you have received and submit them with your district books to Area. List all non-compliant units with the following information:

- Unit Name
- Contact Guider and her contact information
- List of attempts and requests for the books (follow-up to be attached if you have emails etc.)
- Other pertinent information.

At this point Area Council will work with the District Commissioner in an attempt to get the books from the Guider. If we perceive there to be a problem, we will have a freeze put on the bank account and only deposits will be accepted until we have resolved the problem.

Not having all your units reporting is not a reason for the district books to not be submitted to area for review. If there are circumstances you need assistance with, please contact either the Area Treasurer or Area Commissioner, sooner rather than later.

Trefoil Guilds who have bank accounts are to submit their financial records for review to the area

- Cover Sheet
- Annual Financial Report (Annual Report)
 - The treasurer must complete the Annual Financial Report in full
- Financial Review Checklist
 - The front page of the Financial Review Checklist must be completed in full, together with the Report of the Volunteer Financial Reviewer section on the back page
- Financial Recordkeeping Forms (Main Form or ledger)
- Bank statements with receipts matched to the cancelled cheques (originals in all cases or copies if that is what your bank provides)
- Cheque book or cheque stubs pertaining to the period
- Deposit book(s) pertaining to the period
- Receipt books
- Summary records for cookies, events, camps (where applicable)
- Prior year's Annual Financial Reports and Financial Review Checklists
- Budget
- Please remember if selling cookies the full \$60 per case is to be paid to the area.

FINANCIAL RECORDS AS OUTLINED ABOVE ARE DUE TO THE AREA OFFICE BY

- District Financials due by January 30, 2017
- Unit Financials due by February 15, 2017

Financial Guidelines for Area

In accordance with the Guiding Essentials and other guiding levels such as provincial and national, Area has adopted the following guidelines. You may already be doing some or all of these processes but it is not consistently being done across the board. If you are already doing it, great, this will just be a reminder to you but if you are not, please take the appropriate steps to implement these into your unit/district. Thank you and if you have any questions, your area commissioner team is here to help.

- \$\$ We are following the calendar year for our financials and are no longer following the guiding year. What this means is that in June, your district will do "mid-year" reviews on units. In January, they will do a year end review. District books will be reviewed by Area in February of each year.
- \$\$ All districts and areas should have a motion on their books identifying who is reviewing/auditing their books. For example: District council would have a motion that reads Rosie Ranger and Patsy Pathfinder are the designated reviewer of unit books for 2011 year. Remember that the reviewers should not be signing authorities on the accounts or related to the Guiders or person's responsible for the books.
- \$\$ Girl Guides of Canada has a **ZERO** tolerance for missing or inappropriate use of funds. One of the biggest sources of trouble with the funds exists around the cookies. All units/councils must use the sign in/out form for tracking. This form is on the provincial Girl Guide website. This should be included with the financials (even if it all balanced) as an indicator that you are practicing good money management. If you are not able to collect funds in a timely fashion then a unit leader should escalate the situation to her District Commissioner. Don't sit on the situation and listen to empty promises from people who owe you money. **Establish a firm deadline for repayment and stick to it.** If they do not pay, then escalate the matter to the appropriate level.
- \$\$ Transparency in the unit dealings is integral to our financial responsibility.
- \$\$ For area Events and other expenses to be reimbursed from area – it is a best practice to require all receipts submitted within 30 days of the event or 30 days from the expense. This will allow us to process your requests in a timely fashion with repayment. Having this reminder to the units would be useful and be of assistance in maintaining their books so they can always have a clear accurate financial picture.

Section 8 of Guiding Essentials deals with Financial Record Keeping and every person responsible for the finances should be familiar with the document.

If you have any questions regarding the above, please do not hesitate to contact any member of the Area Commissioner team or the Area Treasurer.

OOPS – There seems to be a Problem! – What do I do now?

In today's busy world we all know parents are rushed dealing with multiple situations in their families. It is important that we make our situation important to them and they realize that we are very good stewards of our financial resources. Following are some suggestions of situations and how to handle them.

Cookies

Betsy Brownie's parents are such enthusiastic cookie sellers; they have already signed out 5 cases and want 5 more. That is great! Not so fast, before they take the second 5, you should get the funds for the first five. It may be advisable if they pay the full amount with a personal check that you bring the cookies for them the next meeting giving you time to deposit the check. The majority of our "Cookie issues" are from NSF checks that parents use to pay for cookies in similar situations. If a parent is known to the unit it is up to your discretion of how many cases to give out. It is easier to err on the side of caution with cookies and not send too many out the door with the parents.

All cookies signed out should have a firm deadline date of when the funds are to be returned. A good suggestion is to put in large bold print on a cookie envelope which you give them when they sign out the cookies. Then remind them a week before that the next week is cookie money due date. Cookie funds that are turned in on time require immediate attention. Contact the parent immediately and inquire as to why they were not submitted. If the answer is they haven't sold them yet, you have two options. One is to ask them to pay for them or return them. We know that no one wants cookies back but you have the chance to sell them then. If the person who owes the funds says they will bring next week, set that date as the final deadline. If the funds are not received then proceed with the next step.

When you have followed the above and don't have your cookie funds, you need to advise your District Commissioner of a potential problem. She will discuss and evaluate with you how to proceed. The District Commissioner should not find out about missing cookie money when they do the review, it should be brought to her attention much sooner. It is easier to collect the funds closer to the occurrence than months down the road. If your District Commissioner thinks it should be dealt with at the area, she will forward all the information including all back up (signed cookie sign out sheets, documentation as to attempts at payment, timeline of dates etc). With that information the Area Commissioner will make one final request for funds with a letter to the person owing funds with notification that this is the final attempt for repaying of the funds prior to further action. If the funds are not received it will be forwarded to Alberta Council who will send for collection. The collection agency takes a commission but you will get the funds if they are successful.

One other note on cookies: As you know when you order 100 cases of cookies as an example, it would take you approximately 60 of those cases to pay your cookie bill (depending on area/district charges). The remaining cookies are what will make up your profit. So it is very important that you don't sit on large amounts of cookies at the end of each cookie season. If your unit was getting \$20 per case of cookies in profit, in the example of 100 cases of cookies and if you only sold 80 cases of cookies and were holding the other 20 over for the next sales season you would be sitting on \$400 which could be used for unit activities.

What if you find the books are out of control?

Your home life has taken over and you are not able to get things ready for the reviewer. What can you do? Talk to your guiders in your unit and/or your District Commissioner quickly. Don't be embarrassed or afraid to come forward. We are all volunteers and yes, we have lives outside of guiding. We all work together to get the job done. Leaving things until they are so far out of control makes it worse so when you realize that it is not going well, ask for help. It's the first step and will lighten your load considerably.