

Subject Divisions (SD), Local Sections (LS), and Member Resource Groups (MRGs) Financial Management Process

For adoption in fiscal year 2022

To be updated yearly by the NT and CIC Board in consultation with the CIGs

Abbreviations and Definitions

CIC – The Chemical Institute of Canada

CIG – Common Interest Group; For simplicity, SDs, LSs, and MRGs will be collectively referred to as CIGs

Corporation – Chemical Institute of Canada or relevant Society

CSC – Canadian Society for Chemistry

CSChE – Canadian Society for Chemical Engineering

LS – Local Sections of the CIC/CSC/CSChE

MRG – Member Resource Groups of the CIC/CSC/CSChE

NT – National Team

SD – Subject Divisions of the CIC/CSC/CSChE

1. Purpose

The purpose of this document is to provide clarity and consistency for the executive membership of CIGs with respect to their fiduciary responsibilities and policies pertaining to the financial management of such entities within the CIC and its constituent Societies. This document also describes the responsibilities of the Corporation and the National Team towards the CIGs.

2. Responsibilities

2.1. CIG

The members of the CIG, by majority vote, shall designate a CIG Chair, a CIG Vice-Chair, a CIG Secretary, a CIG Treasurer, and other CIG officers as needed. The offices of Secretary and Treasurer may be held by the same individual, as determined by the members. The Officers of the CIG shall serve for a period of time as determined by the members. Changes of the officers should be provided to the National Team in a timely manner following the vote.

The CIG Treasurer shall be responsible for financial reporting to the CIG and the relevant Society Board or committee of the Board, as outlined in Section 5 below. The CIG Treasurer shall be required to deliver to the Corporation all accounting information to enable the Corporation's accountants/auditors to prepare the Corporation's financial statements. A Member at Large can be appointed to assist with some of these responsibilities. The CIG may raise monies to fund its operations and those monies, together with any monies received from the Corporation, shall be used to further the CIG's purpose as the CIG sees fit, provided they are in compliance with the Corporation's Articles, By-Laws and Policies. The CIG shall have good bookkeeping practices, including records of revenues, operational expenses, and bank account (if any), to facilitate the preparation of the Corporation's financial statements and financial auditing.

2.2. Corporation and National Team

The NT of the Corporation will manage the general accounting, transfers of funds to a CIG account and reporting for the CIG as described in Sections 3-5 below. The Corporation's accountants/auditors will prepare the Corporation's financial statements, including those of the CIGs. The Corporation will monitor the balance of funds in the CIG accounts to ensure the accounts are properly managed for compliances..

3. General Accounting

All CIGs are entitled to hold an account in their name to support their activities within the portfolio of accounts maintained by the NT on behalf of the CIC or a Society.

- All such funds that are held by the CIC are kept separate by a general ledger account
- If, at any time, the Treasurer (or any other executive member) of a CIG wishes to see the transactions in their account they may send an email to the manager of financial operations at the NT, Joan Kingston, jkingston@cheminst.ca and she will send a record of transactions to them.

3.1. Withdrawals

- To disburse funds from the general account of a CIG, an executive member of the CIG will complete a form (available below) and submit this form to Joan Kingston and her assistant along with a scanned copy of the receipt(s).
- If the treasurer requires an advance to cover some expense that is easier or necessary to cover on site or in cash they just need to fill out the form and submit it and once the funds are spent they can submit the receipts to cover the advance.

3.2. Deposits

- Funds raised on behalf of a CIG may be deposited into the CIG account with the NT by having the payment made out to the "Chemical Institute of Canada", being sure to indicate which CIG it is for (in the memo) so the payment can be allocated to their account.
- Funds raised by a CIG that are associated with an annual allocation from the CIC or any of its member societies will be automatically deposited into the CIG account with the NT.

4. External Accounts

If a CIG wishes to keep a small petty cash fund as an external account held outside of the NT, they may do so. This, however, must be done in accordance with the existing bylaws of the relevant societies and CIGs.

This petty cash fund may not exceed a balance of \$3000 CAD due to the fact that any such accounts will fall outside the scope of the normal annual audit process of the Corporation.

The NT will facilitate a transfer of funds from the CIGs centrally managed account to an external account managed by the executive of the CIG to maintain a balance of no more than \$3,000 (CAD) as a "petty cash" allocation. Note that the CIG petty cash allowance cannot exceed the available balance of funds held on behalf of the CIG.

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The CIG will be responsible for submitting all receipts for purchases out of their petty cash allocation to the NT as an additional requirement of their normal yearly financial reporting to the NT.

5. Reporting

The CIGs are responsible for submitting a signed financial report of the previous fiscal year ending December 31st within the first three (3) months of the subsequent year to be included in the current year's grant allocation. The NT will provide a breakdown of the transactions that have gone through the general ledger account for the treasurer to complete the financial statement.

6. Share of Investment Income

At the end of each fiscal year ending December 31st, based on the amount of equity held at the end of the previous year, the CIG will share in the amount of investment income earned and share in the gain or loss on the market value of the investments based on the percentage of their share of equity held.