

## MONITORING REPORT – POLICY EL4

To: Thunder Bay Counselling Centre Board of Directors

From: Nancy Chamberlain, Executive Director

Prepared by: Allane Danchuk, Director of Business and Finance

Re: Policy Type: Executive Limitations  
Policy Title: Financial Condition

Date: February 2021 (covers period from April 1 to December 31, 2020)

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With respect to the actual, ongoing condition of the organization's financial health, the Executive Director may not cause or allow the development of fiscal jeopardy or loss of allocation integrity.

This is interpreted to mean that the Executive Director must ensure that resources are available for the programs necessary to accomplish the Ends as set out by the Board. The Executive Director must also ensure that the organization has good financial health and is not at risk of losing the financial resources necessary to carry out the work.

We monitor financial health through a comparison of actual expenses to the approved budget. TBC's financial condition is shared with the Board of Directors on a quarterly basis throughout the year and includes financial statements comparing actuals to budget. The financial statements for the period of April 1 to December 31, 2020, are included with this report with explanations for year to date variances and a forecast of both revenues and expenditures at March 31, 2021.

Accordingly, the Executive Director may not:

1. Indebt the organization in an amount greater than can be repaid by certain, otherwise unencumbered revenues within 90 days.

**Met Expectation**

All debt of TBC is of a current nature and is paid within 30 days of receipt of invoice. TBC has no long term debt.

2. Use any restricted reserves.

**Met Expectation**

No restricted reserves have been used.

3. Conduct inter-fund shifting in amounts greater than can be restored to a condition of discrete fund balances by certain, otherwise unencumbered revenues within 90 days.

**Met Expectation**

There has been no inter-fund shifting.

4. Allow cash balance on hand to drop below the amount needed to settle payroll and debts in a timely manner.

**Met Expectation**

The cash on hand as of December 31, 2020, not including monies payable to midwifery practices, was \$951,625, which is sufficient for settling payroll and debts.

5. Allow actual allocations to deviate materially from Board priorities in Ends Statements.

**Met Expectation**

TBC utilizes cost centres that are representative of the Board's priorities as established in Ends Statements. Allocations to cost centres do not deviate from these priorities.

6. Hold client funds in an account that is not designated as trust account as defined by the Collection and Debt Settlement Services Act nor use trust funds for purposes other than the management of client debts.

**Met Expectation**

TBC is under an agreement with Credit Canada Debt Solutions (CCDS) for the management of its trust account. As a result of COVID-19, no payments have been accepted at Thunder Bay Counselling and all payments are being made directly to CCDS through online banking. The use of trust funds is audited by TBC's auditors and TBC receives a copy of the audit completed on the trust account operated by CCDS. Both organizations are in compliance with regulations.

7. Allow the Board of Directors to be uninformed of the monthly reconciliation of the trust account.

**Met Expectation**

TBC has received confirmation each month from CCDS that the trust account has been reconciled. Evidence of the reconciliation is held on file.

8. Maintain no less than three separate bank accounts; a general operating account, an interest-bearing account for funds held in restricted reserve, and an account for monies that are payable to the midwifery practices.

Transactions under five thousand dollars (\$5,000) require the signature of a) the Executive Director and the Director of Business and Finance, or b) the Executive Director or the Director of Business and Finance together with the signature of a program manager.

Transactions over five thousand dollars (\$5,000) require the signature of a) the Executive Director and the Director of Business and Finance, or b) the Executive Director or the Director of Business and Finance together with the signature of a Board Member who is a signing officer of the organization.

**Met Expectation**

We maintain three bank accounts: a general operating account; an account for monies payable to the midwifery practices; and a higher interest bearing account for the internally restricted reserve. All transactions have been within the limits established. The banking resolution reflects the requirements of the policy.

I certify this report to be a true account of information as of this date.

Signature: 

Date: February 2021