



4.16 Financial Oversight

1. Introduction

- 1.1 The Executive Committee of the Building Officials' Association of B.C. is responsible for establishing and overseeing the implementation of the strategic plan, business plan, and three-year budget.
- 1.2 The Executive Director is responsible for implementing the strategic plan, business plan, and three-year budget.
- 1.3 Association employees, under the direction of the Executive Director, follow policies, procedures and professional practices to responsibly manage Association finances and assets.

2. Definitions

- 2.1 "Act" means the [Building Officials' Association Act, S.B.C. 1997, c. 16](#).
- 2.2 "Association" means the Building Officials' Association of British Columbia.
- 2.3 "Employee" means a person engaged by the Association to perform a service in accordance with an employment agreement.
- 2.4 "Executive" means the Executive Committee as set out in section 1 of the Act.
- 2.5 "Executive Director" means the Executive Director of the Association as appointed by the Executive.
- 2.6 "Member" means the same as set out under section 1 of the Act.
- 2.7 "Policy" means a written policy, procedure, standard, guideline or directive that relates to the governance, programs, certifications, designations or operations of the Association and is approved by the Executive.
- 2.8 "Treasurer" means the person appointed to serve as Treasurer of the Association as set out in section 7 of the Act, and who need not be a Member to fill the role.

3. Policy Objective

- 3.1 The purpose of the Policy is to ensure that the Executive has appropriate oversight of the Association's financial resources and budgeting processes.
- 3.2 The Policy specifies responsibilities and activities that the Executive must undertake to ensure effective oversight of Association finances and assets.



- 3.3 This *Policy* assigns responsibility for *Association* financial planning and management to the *Executive Director* and establishes specific expectations to direct the *Executive Director's* management of *Association* finances and assets.

4. Authority

- 4.1 This *Policy* is established under the authority of section 9 of the *Act*.

5. Scope

- 5.1 This *Policy* applies to members of the *Executive*, *Employees*, contractors, and volunteers of the *Association*.

6. Policy

Executive Oversight

- 6.1 The *Executive* has a fiduciary responsibility for overseeing the management of *Association* finances and assets.
- 6.2 The *Executive* oversees *Association* finances and asset management by:
- 6.2.1 establishing and maintaining a Finance Committee that is chaired by the *Treasurer*;
 - 6.2.2 reviewing and approving the *Association's* strategic plans, business plans, and three-year budgets;
 - 6.2.3 reviewing quarterly reports and statements on *Association* finances no later than 30 days after the end of each quarter of a fiscal year;
 - 6.2.4 reviewing and approving the annual financial statements;
 - 6.2.5 reviewing results of the annual financial review conducted by an external *auditor*;
 - 6.2.6 reviewing and approving the *Association's* annual report; and
 - 6.2.7 establishing limits and expectations to guide the *Executive Director's* management of *Association* finances and assets.
- 6.3 The Finance Committee must review and recommend approval of the three-year budget each year before it is presented to the *Executive* for approval.
- 6.4 The three-year budget must be approved by the *Executive* before the end of each fiscal year (i.e. March 31).
- 6.5 The three-year budget approved by the *Executive* must be presented to *Members* for information at each annual general meeting.
- 6.6 The *Treasurer* must report on *Association* finances to *Members* at the annual general meeting



on behalf of the *Executive* and Finance Committee.

Executive Director Expectations

- 6.7 The *Executive Director* will manage and conduct the business affairs of the *Association* within the following expectations and limitations:

Financial Reporting

- 6.8 The *Executive Director* will ensure that the *Executive* receives:
- 6.8.1 an updated statement of operations and balance sheet on a quarterly basis, which includes forecast updates and explanations for material variances from approved budgets;
 - 6.8.2 an annual report on the *Association's* operations, which includes financial statements prepared by the approved external auditor, for review and approval; and
 - 6.8.3 immediate notice of any non-compliance or breach of an operational *Policy* or process that may have a material impact on *Association* finances.

Financial Management and Controls

- 6.9 The *Executive Director* will ensure that:
- 6.9.1 financial resources are managed according to budgets approved by the *Executive*;
 - 6.9.2 operational and financial results are monitored on an ongoing basis;
 - 6.9.3 policies, procedures, controls, and reporting are developed and maintained to manage and safeguard financial resources and assets;
 - 6.9.4 policies, procedures, controls, and reporting comply with regulatory requirements and follow best practices, including generally accepted accounting principles;
 - 6.9.5 individual responsibilities and accountabilities are established regarding financial controls and information systems; and
 - 6.9.6 the *Association's* financial position is publicly reported on an annual basis.

External Audit

- 6.10 The *Executive Director* will, in consultation with the Finance Committee, arrange for an external auditor to conduct an independent review of *Association* finances at the end of each fiscal year.
- 6.11 The *Executive* will ensure that an independent external review of the *Association's* financial performance is conducted each fiscal year.
- 6.12 The external auditor is accountable to the *Executive* and will report its findings through the Finance Committee to the *Executive*. The external auditor does not report to, or receive direction regarding the scope or findings of the review from, the *Executive Director*.



Financial Planning

6.13 The *Executive Director* will ensure that:

- 6.13.1 a three-year budget is prepared annually in consultation with the Finance Committee and then presented to the *Executive* for approval;
- 6.13.2 operating and project budgets align with the approved three-year budget and business plan; and
- 6.13.3 assets are adequately secured, protected, and maintained.

7. Related Policies and Procedures

- 7.1 4.15 – Corporate Credit Cards Procedure
- 7.2 4.18 – Refunds Policy
- 7.3 4.19 – Expense Claims Policy
- 7.4 4.20 – Signing Authority Policy

8. Version History

| DATE OF APPROVAL | EFFECTIVE DATE | DESCRIPTION |
|------------------|----------------|---|
| May 24, 2026 | May 24, 2026 | New policy established to replace previous policies: 2.3 – Additional Duties of the Treasurer; 4.11 – Establishing Annual & Five-Year Budget; 4.16 – Financial Reporting. |