
	EMERGENCY MEASURES RADIO GROUP
	OTTAWA ARES

Two Names - One Group - One Purpose

Financial Management EMRG-312

Version: 1.1

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1.0 REVISION SUMMARY

Date of Change	Revision Number	Summary of Changes (Section #, type of change)
2004-11-28	0.1	Create initial document
2004-12-07	0.2	Update document per management team email review
2004-12-18	1.0	Official release after final management team review.
2005-03-25	1.1	Add Bank Income 4060 & Expense 5060

2.0 PURPOSE OF THIS DOCUMENT

The purpose of this document is to define the process and procedures to be applied by EMRG and EMRG management team with respect to collecting, managing and disbursing money for the group.

3.0 FINANCIAL MANAGEMENT

3.1 OVERVIEW

The Emergency Measures Radio Group (EMRG) is not incorporated. EMRG operates as an organization of like minded people, who have come together to ensure that in an emergency, Amateur radio can provide a viable communications service.

Through the signed agreement with the City of Ottawa, a yearly cash donation from the City will be made for the operation and improvement of EMRG as a communications resource available to the City. Other partner agencies, as well as corporate and personal donations can be accepted.

In order to ensure that the funds are managed in a responsible, traceable manner, a series of rules for financial management has been established.

3.2 BANK ACCOUNT

EMRG financial management consists of tracking the debits and credits for a single bank account. All revenue will be deposited to the account and all expenses will be paid from this account.

The bank account is held with the TD Canada Trust bank. The account is a chequing type.

3.3 TREASURER

The Treasurer is an EMRG member who has volunteered to maintain the financial management system for EMRG. This includes maintaining the accounting records and ensuring the financial management guidelines are followed.

The Treasurer can be an existing member of the management team, or a dedicated management team position.

3.4 FISCAL YEAR

The EMRG fiscal year will start on the date the EMRG City of Ottawa 3 year agreement is signed.

3.5 TAX RECEIPTS

EMRG is not incorporated as a non profit organization, so EMRG cannot provide receipts for tax purposes, to groups or individuals who donate.

3.6 INVENTORY MANAGEMENT (EMRG-305)

Equipment that is purchased by, donated to, or built by EMRG, will be inventoried and managed as outlined in EMRG Inventory Management Guidelines document (EMRG-305).

3.7 VOLUNTEER TIME

EMRG volunteers time has value and is part of the success of EMRG projects, along with donated equipment and funding for parts. The Treasurer will be responsible to maintain a record of time spent by EMRG volunteers on projects.

The volunteer time is a critical component of the value of EMRG. For each activity, the individual and collective time will be recorded. For example if 5 people spent 4 hours working on a project, then 20 hours would be recorded under Projects. If one person spent 5 hours preparing for the 4 hour session, the additional 5 hours would be added to the 20 hours.

4.0 RULES FOR FINANCIAL MANAGEMENT

4.1 SIGNING AUTHORITY

There will be three people within EMRG with the authority to sign cheques. The EMRG bank account will require two signatures on each cheque. One will be the person designated as the Treasurer and two members of the management team.

In the event that the payment is to one of the three people with signing authority, then the cheque must be signed by the other two people, not the person who will receive the payment.

4.2 EXPENSE VOUCHER (EMRG-510)

Each EMRG payment from the bank account will require an expense voucher (EMRG-510) to be completed. The voucher must be signed by one of the 3 signatories and payment cannot be to the person who signs the voucher. Receipts will be attached to the voucher and will be filed.

4.3 RECEIPT STATEMENT (EMRG-511)

Payments to reimburse cash expenses such as for purchases made at a hamfest or from a individual, will require form EMRG-511, the Receipt Statement to be filled out in place of a store receipt. The Receipt Statement becomes the official record for the source of the expense and would be submitted with all other receipts and attached to the Expense Voucher.

4.4 AUDIT

The EMRG bank account and accounting transactions will be audited on a yearly basis by someone outside of the EMRG organization. The person does not need to be an accountant, but must be capable of reviewing the books to determine that sound accounting principles were followed and the transactions have followed the procedures outlined in this document.

The City of Ottawa can request an audit of the EMRG account at any time, in order to verify that the money provided by the City is being spent in the manner it was intended.

4.5 ACCEPTIBLE EXPENSES

The purpose of collecting funds for EMRG is to develop and improve the communications response capabilities of EMRG. EMRG expenditures are planned as a group, so there should not be many instances where an unusual expense is not listed or dealt with in advance. If an item is not in the eligible list and not in the non eligible list, the expense should be reviewed by the management team and this document should be updated if there is any change.

4.5.1 Eligible Expenses

- Office supplies, postage
- Repair of EMRG equipment
- Development of permanent equipment sites such as the communications room at Fire Dispatch
- Purchase or building of equipment or systems, such as radios or TNCs for packet radio, or cables and connectors for user interfaces to existing radios.
- Promotion of EMRG within the Amateur community and within the community in general. Signs or banners are eligible expenses.

4.5.2 Non Eligible Expenses

- Payment to any EMRG member for services rendered
- Payment for food. This includes during EMRG activities or activations. (Expenses for food provided during an emergency, should be reimbursed by the partner agency)

4.6 RECORDS RETENTION

EMRG records will be kept for 7 years.

5.0 BUDGET

5.1 YEARLY BUDGET

At the beginning of each fiscal period, EMRG will complete a budget for the year. The budget will outline the planned income and expenses for that year. Each expense category will outline the activities planned and the associated costs. Project costs will be captured in the project plan.

5.2 PROJECT PLAN

Each year, a project plan will be written as part of the budget process. Within the project plan, individual projects will be defined and assigned a budgetary cost. The total cost for the sum of all projects will be entered into the budget as a single expense.

Each project will include a detailed materials list with costs based on known suppliers such as DigiKey for electronic parts. The detailed project cost is required to prioritize projects.

Project expenses will not be tracked on a project by project basis. The increased effort to assign and track partial costs for bulk purchases does not increase security or control of EMRG funds, but does consume volunteer effort. The year end report will identify the overall project financial status as well as the individual project progress status.

6.0 REPORTING

6.1 YEARLY REPORT

Within 1 month of the end of each fiscal period, EMRG will produce a status report. The report will be a public document, summarizing the activity for the past year. The report will include the following;

6.1.1 Income Statement

The income statement shows the total values for the year, under each income and expense category as well as a net income value. How much came in and where did it go. The income statement will include an additional column to show the budgeted amounts for comparison.

6.1.2 Volunteer Hours

The time provided by EMRG members is donated, but the variety of skills and effort has a tremendous value if EMRG had to pay for the work. The volunteer hours spent on EMRG projects will be provided as one number, the total value for all projects for the year.

6.1.3 Project Status

The project status is a summary review of the projects and costs that EMRG established at the beginning of the year. This would include which projects were completed and defining the output of the project. This might be a statement for a project that says the project was completed, and it produced three portable packet radio kits packed and ready to deploy.

6.1.4 Value Statement

The value statement describes how the EMRG project activities for the year have added value to the City of Ottawa Emergency Response capabilities. This might be a brief description of the how the three portable packet radio kits added the capability to provide data communications from anywhere in the City, or the ability to communicate between specific sites requested by EMRG partners.

6.1.5 Bonus Value

The bonus value is the increased value from prudent EMRG searching and purchasing activity. This is a summary report that shows how EMRG was able to save money or add parts and equipment at significantly reduced cost or no cost, through prudent planning and work efforts.

This might mean that a piece of used equipment was purchased as scrap and dismantled, to provide parts for a project at much reduced cost. Where possible, the savings should be estimated to show the extra value for the activity. The bonus value could also be from items that are donated, which saved the purchase cost.

7.0 ACCOUNTS

There are several accounts, which will be used by EMRG to track the debits and credits in the bank account. The list of accounts provides a record of key financial activity. There is no miscellaneous account, because all transactions should fit one of the accounts listed. The management team can expand the list if desired.

7.1 LIST OF ACCOUNTS

Revenue	Account	Expense	Account
City of Ottawa	4010	Repairs	5010
Other Partner Donations	4020	Supplies	5020
Corporate Donations	4030	Projects	5030
Personal Donations	4040	Promotion	5040
PowerPole Connectors	4050	PowerPole Connectors	5050
Interest	4060	Bank Charges	5060

7.2 REVENUE ACCOUNT DESCRIPTIONS

7.2.1 4010 - City of Ottawa Funding

The City of Ottawa provides capital funding for projects, on a business case basis. In 2004, the City provided a one time grant of \$5000 to cover the cost for several EMRG projects outlined in the EMRG document [EMRG-303 Year 1 Project Plan.doc]. The City of Ottawa provides a yearly donation of \$1000 to EMRG to offset the ongoing operation costs such as replacing fuses, connectors or other consumable items.

7.2.2 4020 - Other Partner Donations

EMRG services are provided at no cost to its partners. This account captures any funds donated by partners to help develop EMRG capabilities.

7.2.3 4030 - Corporate Donations

Most corporate donations are in the form of used equipment, but this account provides a place to record cash donations if a business should decide to do so. Equipment donations have a value as well, and are tracked in the inventory system (EMRG-305 Inventory Management)

7.2.4 4040 - Personal Donations

EMRG does not solicit donations, but if an individual in the community or an EMRG member wanted to donate cash to support development of EMRG capabilities, it would be recorded under this account.

7.2.5

7.2.6 4050 - Powerpole Connectors

Powerpole connectors are the standard connector selected by EMRG for connecting 12 Volt DC radios, power supplies and batteries together. The connectors are not stocked by any local suppliers, so EMRG purchases the connectors in bulk, typically 250 at a time and re-sells them at a small profit. The City of Ottawa provided the funding for the initial seed stock.

7.2.7 4060 - Interest

Interest from a bank account or any type of investment that generates interest will be entered under this account.

7.3 EXPENSE ACCOUNT DESCRIPTIONS**7.3.1 5010 - Repairs**

Repairs are specific costs to repair something that already exists as part of the EMRG activity inventory. This could include replacing a connector on a radio or replacement internal components.

This would also include end of life replacement of gel cell batteries

7.3.2 5020 - Supplies

Supplies are consumable items such as fuses, batteries, cable and connectors for general use, not specific to a project or equipment. This could also include office supplies.

7.3.3 5030 - Projects

Projects are defined activities where EMRG will purchase equipment &/or parts, then add work effort to produce a functional unit or capability. Typically there are multiple pieces of equipment and parts being brought together. Projects are defined in the project plan.

7.3.4 5040 - Promotion

EMRG participates in several Amateur and non Amateur display opportunities which raise awareness of EMRG and it's activities. Preparing for displays can have one time costs, such as signs, which will be reused, but which have a significant cost.

7.3.5 5050 - PowerPole Connectors

PowerPole connectors are sold by EMRG and this account tracks the cost of purchasing the connectors. Connector purchases are tracked in bulk, not per connector.

7.3.6 5060 - Bank Charges

Bank fees and service charges are entered under this category.