



July 13th, 2018

To: SMHA Members

From: SMHA Board of Directors

Re: Governance Plan

As discussed at the AGM on May 26th, 2018, the Board of Directors is committed to having a plan in place to address concerns regarding accountability and the financial statements. Below is a summary of what has been completed and what is planned to meet the October deadline of reporting final 2017/18 financial statements and a 2018/19 budget.

To date the Board has completed the changeover of banking signing authorities and access to the accounting software. The current bookkeeper has met with the Executive Director and completed the bookkeeping portion of the exercise prior to the information being shared with the selected accounting firm to complete the financial reporting for the 2017/18 fiscal year. The treasurer has conducted research into best practices for Not for Profit Organizations with respect to financial statement assurance levels, policies, procedures and processes. The Treasurer has met with the past accountant to review the financial statements from the previous year and discussed any identified risks. The Board has approved budgeted registration fees for the 2018/19 hockey season. The Board has communicated with various legal firms to determine how to update the SMHA constitution.

In order to ensure that the SMHA has a solid and accountable governance structure, the Board of Directors has developed the following plan:

By the end of August, 2018:

- Complete best practices review of governance related to financial information and a report summarizing recommendations;
- Implement policies and processes related to financial accountability including procurement to pay and sales/receivable cycle;
- Select a vendor to complete the review of the current SMHA constitution;
- Provide a recommendation on the approach to completing the 2018/19 financial statements.

By the end of September, 2018:

- Present a draft budget for 2018/19 fiscal year to the SMHA Board for approval;
- Present the draft 2017/18 financial statements to the SMHA Board for approval;
- Provide an annual work plan for the 2018/19 fiscal year.

By October 15, 2018:

- Present a final budget for 2018/19 fiscal year to the SMHA Board for approval;
- Present the final 2017/18 financial statements to the SMHA Board for approval;
- Complete a working draft of the revised SMHA constitution based on recommendations and best practices;
- Presents the results of the financial statements, the annual budget to the members.

We trust that this addresses concerns expressed at the SMHA Annual General Meeting. Should you have any questions, please contact the SMHA office directly.

Yours Truly,

SMHA Board of Directors