

Council Policy

Policy Name OAA Local Societies - Financial Policies

Issue Date November 28, 2025

Revision Dates

Purpose

The purpose of this policy is to establish principles and protocols that govern how the Ontario Association of Architects (OAA) Local Architectural Societies (“Societies”) will address specific aspects of their financial resources.

The following provides a framework for budgeting, accounting, investing, and financial reporting to promote consistency and accountability in financial practices across the Societies. As constituent organizations of the Association, the Societies are provided with clear and consistent protocols and financial policies to ensure a healthy financial environment as well as mitigate exposure to financial and legal risks.

Submission of an Annual Budget

A draft annual operating budget for the following fiscal year) shall be submitted by each Society for review by the OAA's Finance & Audit Committee. Submission of the draft budget to the OAA may coincide with the individual Society's own budget development process and timelines. Societies will establish a balanced budget, which may include a line allocation for special initiatives or contingency. Each Society will use the [annual budget template](#) provided by the OAA or one of a similar likeness that provides the same or similar information and detail.

Duties of the Treasurer

The Treasurer is an essential member of the Society Executive. The Treasurer is responsible for the Society's assets, administers the finances of the Society, and reports to the Officers of the Society. They must be prepared to provide a clear and concise statement of the Society's financial position at any time, upon request. The Treasurer shall:

- Establish a bank account in the name of the Society and arrange for the [appropriate signing authorities and segregation of duties](#);
- Pay all accounts as authorized by the Officers of the Society;
- Keep a record of all assets and expenditures, including invoices and receipts;
- Review all assets and expenditures to ensure prudent and responsible use of Society funds;
- Prepare the annual statement of accounts (profit/loss statement) and balance sheet of the Society and provide such statements to the OAA by the prescribed deadline;
- Inform the Officers of the Society and the OAA of any situation that impacts the financial position of the Society;
- Ensure that all records are transferred in an orderly fashion to the next Treasurer;
- Register the Society for HST if the total amount of all revenues (before expenses) from the worldwide taxable

- supplies of all the organization's activities is \$50,000 or more in any single calendar quarter, OR in the last four consecutive calendar quarters.

Monies held in reserve and annual surplus

The Ontario Association of Architects is an incorporated not-for-profit organization, subject to government rules and regulations regarding how it may use any surplus funds. These same rules and regulations apply to Societies by extension.

Any surplus realized by a Society each year should be reflected on its balance sheet as cash and held by the Society in its bank account or other cash equivalents i.e. GICs, term deposits. A Society may allocate year-end surplus funds to a reserve fund which may be placed in short term financial instruments such as Guaranteed Investment Certificates (GIC) and/or Premium Investment Account (PIA). The Society must provide a clear statement of what these monies are being held for, which must be in line with the stated purpose of the Local Architectural Societies. Investment in long-term financial instruments and stocks is not permitted.

The amount that a Society may accumulate in reserve shall be in line with the appended Guidelines issued by the OAA's Finance & Audit Committee.

Annual General Meeting

Once a year, each Society must hold an Annual General Meeting (AGM) of the Members of the Society. During this meeting, the Officers of the Society must present the following to the Members of the Society:

- Financial report summarizing the financial activities of the Society during the previous fiscal year; and
- Report on the activities of the Society.

Submission of Annual Report & Year-End Financial Statement

Every year, Societies are required to submit an annual report on their activities to the OAA governing Council for their review. The report must be accompanied by a complete Society financial report, including the use of any Special Project Funding (SPF) received in that fiscal year (December 1 to November 30 each year). Societies will not be eligible for further Special Project Funding without the previous year's Annual Report including year-end financial statement.

Societies will use the templates provided by the OAA for Annual Reports and financial statements (or similar likenesses that contain the same information). Society Annual Reports will be posted on the OAA Website.

Liability of Societies and the Association

A Society may not bind the OAA or represent that it may bind the OAA; the Society may not incur any indebtedness on behalf of the OAA. Section 75 of the OAA Bylaws dictates:

No officer, member or affiliate of a Society, nor any Society shall have any power or authority as such to contract in the name of the Association nor to assume any obligations on behalf of the Association and the Association shall have no liability with respect to any debts or obligations assumed or incurred by any Society.

It is the responsibility of the Society Chair and/or Treasurer to advise the OAA immediately should an issue arise such that a Society incurs any debt beyond that which is part of its usual operation and administration.

Policy Review & Updates

This policy will be reviewed periodically by the OAA Finance & Audit Committee. Amendments are subject to Council approval.



Attachments:

Society Annual Budget Template
Guideline for Establishment of a Reserve by a Society
Society Annual Financial Report Template

Guideline for Signing Authorities & Segregation of Duties
Society Annual Report Template

