

**Finance Committee  
Action Plan 2004-2006**

**January 2005**

**Initial Draft**

**Goals:**

- 1) Prepare report of current financial situation.
- 2) Establish Scouts NB Foundation (SNBF).
- 3) Consolidate accounts within NB Council and SNBF.
- 4) Develop funding and reporting processes for NB Council, Areas and properties.

**Committee Membership (11):**

**Ex-Officio:** Council Commissioner, Chair Scouts NB Foundation

**Chair:** Deputy CC – Administration

**Areas:** One member per Area

**Advisors:** Council Executive Director, Treasurer

**Plan of Action:**

**1) Prepare report of current financial situation.**

As we move to a 'one council' concept, there are still numerous accounts and funds held at various levels around the province. There has been no systematic accounting for these funds for some time. There are bank accounts from the former Districts / Region, investment accounts, trust accounts and property management accounts.

Further there has been income derived from some of these assets including interest, rental and the sale of wood. We have also received various grants and gifts from different levels of government, service groups and individuals.

In order to develop a comprehensive approach to our finances that we will allow us to properly manage and account for our finances, we first need to identify all of these assets, liabilities and sources of income and expense.

The finance committee will canvas all Scouting groups and members to assist in the identification of these resources.

The committee will prepare a comprehensive listing of all financial information for report to NB Council. The report will detail any restrictions on financial assets and will make recommendations to streamline the financial reporting within NB Council.

## **2) Establish Scouts NB Foundation.**

As noted above, there are significant assets being held at the former District / Region level. These include properties, proceeds from properties, endowments and trust accounts.

There has been significant resistance to having these funds administered at any other level because of fear that the funds or assets would not be properly managed or maintained. However, these assets are scattered and management for growth has been haphazard. Furthermore, significant new fundraising efforts have been stalled because of a lack of an adequate volunteer base devoted to this task.

We propose the establishment of the SNBF to serve as an arm's length body from the NB Council, whose purpose would be to take stewardship of the assets located in NB Council that have been accumulated over the past years. The SNBF would bring these assets together for the first time, allowing for more effective growth management and providing a critical mass to launch new fundraising efforts.

The SNBF would be responsible for managing these assets over the long term, ensuring the safety of the principal while growing the base. The Foundation would also manage the income from the assets and provide grants to the NB Council and the NB Areas for operations, property management or special events. The SNBF could also establish scholarship funds, jamboree assistance funds or special project funds.

The SNBF would provide new challenges within the Scouting world for its members apart from regular operations or programs. It would provide NB Council with a dedicated group of volunteers interested in helping to secure the financial future of Scouting, thereby allowing the Council to focus on the all-important business of helping our groups provide quality programs.

A possible membership model would see one member appointed by each Area with five at-large members and the chair appointed by NB Council.

### **3) Consolidate accounts within NB Council and SNBF**

Once the finance committee has completed its initial current situation status report and the SNBF has been established, the next step is the consolidation of accounts, assets, liabilities, income and expenses.

The finance committee in consultation with the CED, the treasurer and the chair of SNBF will make recommendations to NB Council with regards to the disposition of these items.

The committee will make arrangements to have these items transferred to the appropriate body in accordance with any legal restrictions and in consultation with legal counsel.

### **4) Develop funding and reporting processes for NB Council, NB Areas, the SNBF and properties.**

As we move forward, we will need to maintain budgets and funding arrangements for the NB Council, the NB Areas, the SNBF and the remaining properties.

The finance committee will prepare recommendations to NB Council as to how best and most equitably to achieve this funding process. These recommendations will be made based on input from the stakeholders including the Areas, the property committees and the SNBF. The ultimate goal will be to have one budget for the NB Council that accounts for the Area budgets, training, special events, camps and properties.

The committee will also establish reporting processes that are transparent to all stakeholders in order to ensure that our finances are managed in efficiently and equitably.

#### **Timeline for Action:**

- 1) Develop "Final" plan – February 28, 2005
- 2) Canvass existing situation – Spring / Summer 2005
- 3) Establish SNBF – Spring / Summer 2005
- 4) Consolidate accounts – Summer / Fall 2005
- 5) Develop funding / reporting processes – Spring/Fall 2005

Prepared by: Kevin Duff, DCC (Administration) NB Council  
Dated: January 5, 2005