

JA Central Ontario Virtual Company Program Banking 2020-2021

Company Program Banking FAQ

The Company Program is intended to model a real-life business experience for the students that participate. This includes managing the finances for their companies. To assist you with answering some of the questions Advisors and students may have about the management of the finances we would like to provide you with some helpful suggestions.

How are the finances managed for JA Central Ontario Company Programs?

It is mandatory that each company opens a bank account to manage the financial transactions for the duration of the program. There are options available at all of the banks and we suggest you choose a location that is convenient for the Mentor of the Vice-President of Finance and any other signing officers to attend.

What type of account should be opened?

Banks offer a variety of options. Community Accounts, Business or Consumer Accounts allow the company to operate under a company name and are recommended. Banks do not permit the use of personal accounts for business purposes. We have conducted some research with banks and Advisors on viable options. Please note that this may not be inclusive of all the options available and the process may vary depending on the branch policies.

Bank	Account type	Requirements
CIBC	Not for Profit/Community Operating Account	Over 18 signature
BMO	Community Account	Over 18 signature
Scotiabank	Scotiabank Community Account Plan	Over 18 signature
TD	Community Plan Account	Over 18 signature
RBC	Royal Business Community Account	Over 18 signature

What bank services will be required?

Companies will require an account that they can deposit/withdraw cash and conduct e-transfers.

We encourage all transactions to be done electronically including share collection, payment of fixed costs and payments to vendors, suppliers, etc. where possible.

Students and advisors should not be holding onto large amounts of cash. You may want to consider having a few temporary cheques on hand.

What are the fees?

Banking fees vary depending on the bank and type of account. On average they will range from \$0-\$25 per month depending on the number and type of transactions.

Who should have signing authority on the account?

Only an Advisor can have signing authority on an account as the majority of students participating in the program will be under the age of 18. This can be the Advisor(s) who will be assisting with management of the company's finances.

A best practice from previous programs is to set up the bank account with two Advisors (either one to sign) to ensure banking can still happen in the result of an Advisors absence (i.e. on vacation/sick leave). Where possible, we would encourage two Advisors to have signing authority, however, for this virtual year, we are making an exception and allowing for one Advisor to set up the bank account if two Advisors are not able to coordinate to open the bank account (as you may have to open one in person at the branch).

For your internal process, regardless of how many Advisors are on the bank account, please ensure that you have two Advisors (including the signatory)

plus 1-2 students (i.e. VP of Finance) responsible for signing along with the Advisors.

*It is important to ensure that the account is closed upon completion of the program – no later than July 1st, 2021.

What do you need to take to the bank to set up the account?

JA Central Ontario will provide your company with a banking letter that explains the nature of the company program. Additionally, all signing officers will be required to attend the initial account opening meeting at the bank and bring valid ID (check with your branch to confirm which form of ID is acceptable). It helps to have one of the Advisors connect with someone at the branch before going in to explain the nature of the program and the manner in which the accounts will be used.

*Note: It may be possible to set up a bank account online without having to go to the branch – please check with your bank first before proceeding.

To request for your banking letter from JA, please email the following information to companyprogram@jacentralontario.org:

1. Name of your JA Company
2. Name(s) of the 1 or 2 Advisor(s) who will act as signatory

If you require clarification or further information on the above, please email Lucia at LLY@jacentralontario.org