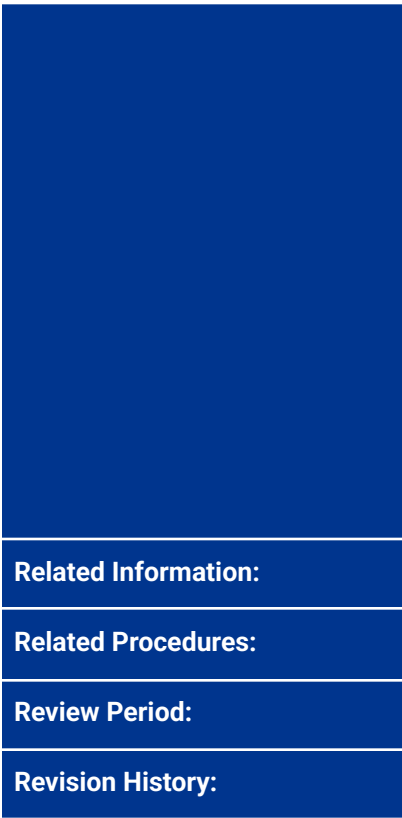




FINANCIAL PLANNING

Category:	BOARD OVERSIGHT
Policy Number:	BO-2
Board Approval Date:	March 27, 2025

Objective:	To ensure that planning allocates resources in a way that supports Board-stated priorities, ensures fiscal viability and enables the longer-term sustainability of the College.	
Scope:	This policy applies to the administration responsible for the College's financial planning..	
Definitions:	Operating Budget	The annual Board-approved College operating budget for the period July 1 to June 30.
	Capital Budget	The annual Board-approved College budget for capital expenditures for the period July 1 to June 30.
Policy:	1.	The College will prepare a documented, multi-year strategy for both operating and capital expenditures that can be expected to achieve Board strategic priorities for submission to the Board for approval on an annual basis.
	1.1	Financial planning will explain and justify assumptions and identify relevant environmental factors.
	1.2	The long-term planning process will include an explanation of any anticipated borrowing and its impact on the College's overall financial status.
	1.3	Budgeting for any fiscal period or the remaining part of any fiscal period will be derived from the multi-year strategic plan.
	1.4	Financial planning will include a credible projection of revenues and expenses, separation of capital expenditures and operational expenses, and cash flow projections.
	1.5	Financial planning will provide for an unrestricted net asset balance of at least 3% of the gross budgeted operating revenues. Use of the funds must be approved by Board motion.
	1.6	Financial planning will ensure that the expenditure of funds in any fiscal year does not exceed conservatively projected revenues for the same period, including funds to cover debt servicing.
	1.7	Financial planning will have a broad base of input.



	1.8	The annual operating budget will provide the amount determined annually by the Board for the Board's direct use during the year.	
	1.9	Financial planning will ensure the fiscal soundness of future years while building organizational capability sufficient to achieve future strategic priorities.	
		1.9.1	The College will operate with succession plans to facilitate smooth operations during key personnel transitions and ensure competent operation of the organization over the long term.
		1.9.2	The College will ensure sufficient organizational capacity and current information about President and Board issues and processes for the competent operation of the organization to continue in the event of sudden loss of President services.
3 years			
NEW: March 2025			