



FISCAL OVERSIGHT

Category:	BOARD OVERSIGHT
Policy Number:	BO-5
Board Approval Date:	March 26, 2026

Objective:	To ensure that the actual and ongoing financial conditions and activities of the College support Board strategic priorities and ensure the longer-term sustainability of the organization.		
Scope:	This policy applies to the administration responsible for the financial condition and activities of the College.		
Definitions:	Unrestricted Invested Funds	The market value of funds in the Operational Pool, less: - Endowment Spendable Funds, including: interest; dividends; realized gains; and other earnings disbursements allocated for the current year - Deferred Revenues, including: interest; dividends; realized gains; and other earnings disbursements allocated for the current year - Internally restricted net assets - Unrealized gains	
Policy:	1.	Financial conditions and activities will not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from Board strategic priorities.	
	1.1	The College will not borrow funds to cover operating expenses, other than the use of overdraft protection, without Board approval.	
	1.2	Operating, capital, endowment and trust funds will be segregated and may not be applied to anything other than their intended purposes.	
	1.3	Withdrawal or liquidation of the Operational Pool	
		1.3.1	For the purpose of liquidity, no more that two million dollars (\$2,000,000) of unrestricted surplus funds may be withdrawn or transferred from the Operational Pool, without Board Approval, in any fiscal year. A report to the Audit and Finance Committee is to be provided as soon as reasonably practical, outlining the necessity for the withdrawal(s).
		1.3.2	For the purpose of rebalancing of invested funds, administration may move unrestricted funds between investment portfolios provided that a report of transfers and balance analysis is provided to the Audit and Finance Committee as soon as reasonably practical following the transfer.



		1.4	The College will not permit an operating deficit or a projected year-end deficit without Board approval.
		1.5	Payment of tax or other government ordered remittances will be made in a timely and accurate manner.
		1.6	Accumulated operating surplus (cash) balances will be not less than 3% of gross operating revenues, without Board approval.
		1.7	The Board will receive regular statements of-cash position, on a schedule determined by the Audit and Finance Committee.
	2.	The Board will be apprised of any anticipated significant variance from the financial and other critical elements of a major capital project as soon as reasonably possible.	
	3.	Entrepreneurial activity will be consistent with contribution to College strategic priorities in order to generate income.	
		3.1	The full cost of an entrepreneurial activity will be determined prior to engaging in such activity.
	4.	College financial resources cannot be used to contribute to or pay for political fundraising events or for any political party or candidate for public office.	
Related Information:			
Related Procedures:			
Review Period:			
Revision History:			