

POLICY TYPE: OPERATIONAL BOUNDARIES

2-02 Financial Planning and Budgeting

The Registrar, CEO shall not permit financial planning that allocates resources in a way that deviates materially from the Board-stated strategic outcomes priorities, that risks fiscal security, or that is not derived from a multi-year plan.

Further, the Registrar, CEO shall not:

1. Operate without a multi-year strategic plan that is reasonably consistent with the strategic outcomes set by the Board from time to time.
2. Permit financial planning that doesn't assign the funds reasonably necessary for the College to fulfil its regulatory responsibilities and strategic outcomes.
3. Permit financial planning that does not provide the amount determined annually by the Board for the Board's direct use during the year, such as costs of fiscal audit, Board ongoing development, Board and committee meetings, Board legal fees, and stakeholder engagement activities.
4. Permit financial planning that does not permit for the regular analysis of strengths, weaknesses, opportunities, and threats, including external environmental issues, which may impact the organization's short and long- term future and budget.
5. Permit financial planning that omits credible projection of revenues and expenses, separation of capital expenditures and operational expenses, cash flow projections, and disclosure of planning assumptions.
6. Plan the expenditure in any fiscal year of more funds than are conservatively projected to be received in that period unless the Board expressly authorizes the use of reserves for a specific purpose.
7. Permit planning that endangers the fiscal soundness of future years or ignores the building of organizational capability sufficient to achieve strategic outcomes in future years.
8. Develop a budget for each budget cycle without:
 - a. Seeking Board input on key budget planning assumptions prior to the last Board meeting of the year.
 - b. Rendering the first draft of the budget no later than the last Board meeting of the year.
 - c. Ensuring any significant changes made by the Board are reflected and sent to the Board for approval by the first Board meeting of the year.