



FINANCIAL MANAGEMENT 3 – Reserve Funds

Date: March 4, 2003

Revised: Jan. 9, 2013

Responsible Administrator: Secretary Treasurer

1.0 RATIONALE

The creation of reserves through the regular budget process is prudent fiscal practice for:

- 1.1 the purchase, replacement or upgrading of assets; and
- 1.2 to stabilize the ongoing operational needs of a site.

2.0 PROCESS

Site budgeting and planning processes will include all pertinent information regarding their reserves.

3.0 GUIDELINES

3.1 Operating Designated Reserves

- 3.1.1 This fund must have a specific purpose clearly defined in the site plan and annual budget.
- 3.1.2 The purpose of the fund must be to acquire an appropriate product or service that could not normally be funded within the allocations for a single year.
- 3.1.3 The annual allocation to the fund must be consistent with the overall effective operation of the site and shall not be detrimental to the site's programs/operation for a single year.
- 3.1.4 Where appropriate, sites must have funds and approved evergreening plans for technology, furniture and equipment and instructional resources.
- 3.1.5 Any reallocation of these funds will require the written approval of the Superintendent.

References: *Board Policy: D/1/5 – Reserve Funds*