

BRIEFING REPORT

REPORT TOPIC: Financial Planning and Budgeting Policy (II-05)

REPORT TO: COO Council

REPORT FROM: COO Governance Committee

DATE: October 2, 2017

REPORT PURPOSE:

☒ Policy Development/Enhancement/Regular Review/Approval

☐ Ends Policy

☒ Executive Limitations Policy

☐ Council-Staff Relationship Policy

☐ Governance Process Policy

☐ Council Implementation of Policy

☐ Council-Staff Relationship Policy

☐ Governance Process

☐ Monitoring Report

☐ Ends

☐ Executive Limitations

☐ Ownership Linkage Report

☐ Incidental Report

☐ CEO & Registrar

☐ Council President

☐ Other: Briefing Report

BACKGROUND

The policy topic “Financial Planning and Budgeting” (II-05) falls under the Executive Limitations policy quadrant. This policy is designed to put executive boundaries and risk tolerances around the financial planning and budgeting process and structure.

This Executive Limitations Policy was originally approved on September 20, 2011 and has not been reviewed since it was initially implemented.

Governance Committee Members began its review of this policy; however, it will complete its input at the next Governance Committee meeting in late October 2017. The proposed revisions to this policy will come to the December Council meeting. The original policy is outlined in Figure 1.

**FIGURE 1
CURRENT POLICY**

POLICY TYPE:	GOVERNANCE PROCESS
POLICY TITLE:	Financial Planning and Budgeting
<i>Approval Date:</i>	September 20, 2011

Financial planning for any fiscal year, or the remaining part of any fiscal year, shall be in accordance with Council priorities, objectives and this policy, shall promote fiscal security, and be derived from explicit plans.

Accordingly, the Registrar must ensure budgeting which:

1. Is based on an annual plan for the fulfillment of the Council's objectives and priorities.
2. Provides the funds reasonably necessary for the Council to fulfill its regulatory responsibilities and governance objectives.
3. Includes a credible projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning assumptions.
4. Prevents the expenditure, in any fiscal year, of more funds than are conservatively projected to be received in that period, unless the Council expressly authorizes the use of reserves for a specific purpose.

The Registrar shall report to Council annually with the budget.