

CVS POLICY & PROCEDURE MANUAL

Policy Area: Finance

Policy # & Name: 7.3 Budgets

Group: Senior Management, Board of Directors

Purpose:

To monitor and maintain fiscal responsibility within CVS operations.

Policy Statement:

The Society develops and approves an Annual Operating Budget including estimated expenditures and revenues. Results of operations will be reported and monitored compared to Budget. Longer-term projections are utilized as an operational and financial planning tool.

Practice Standards:

The Budget process shall include input from all regular staff as to needs in their work assignment, program goals and objectives and the needs of the individuals served.

The Budget process will include strategic plan goals and the development /renewal of an annual training plan for staff.

In all cases, the primary consideration in Budget development shall be the needs and desired outcomes for the program participant and for safe provision of service. To this end, staffing levels required will be assessed as part of each Budget process.

The Board of Directors shall have final approval of the Budget as recommended by the Executive Director.

Funding Contracts will be reflected in the Budgets as negotiated.

Budget Management and Control

Those with budget responsibility shall review monthly reports showing actual and budget results.

Budget review meetings shall be held monthly by Program Managers with House Supervisors/Program Coordinators and with the Financial Manager and/or Executive Director as needed.

The Budget may be adjusted throughout the year in response to new initiatives that materially affect the net Budget position of the Society, by the Executive Director subject to approval of the Board.

The Executive Director, after appropriate consultation with affected Program Managers, House Supervisors/Program Coordinators and staff may alter individual Program Budgets and/or substitute budget items between programs, subject to Financial Approval Authority as set out in 7.6 – Internal Control.

The Executive Director and/or respective Program Managers may after appropriate consultations alter and/or substitute budget items within or between programs, subject to Financial Approval Authority.

House Supervisors/Program Coordinators may substitute within the parts of

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the Program Budgets that they have responsibility for.

Planning

Long term plans and projections shall be developed on an as needed basis. These projections shall be used, by management and the Board, as planning tools with respect to operations and finances.

Budget Reserves

The Association maintains two types of reserve accounts. They are:

Discretionary reserves: Authority to release discretionary 'Linkage to Ownership' reserves lies with the Board of Directors.

Other reserves are subject to the approval of the Executive Director unless the expenditure is included in the approved operational budget.

Required reserves: Authority to release required reserves lies with the funding agency (i.e., BCHMC, CMHC, Ministry for Children and Families). Holding required reserves, pending approval for release of funds, is an obligation of the Society as per negotiated contracts. There are no Required Reserves currently mandated by contracts.

Policy Audit: March Annually

Date Issued: March 2004

Date Revised:

Position

Responsible: Executive Director

References:

- ☞ Ministry Contracts
- ☞ Collective Agreement
- ☞ Strategic Plan
- ☞ Training Plan
