



Policy Financial Systems Administration	Replaces former policy: <input type="checkbox"/> Title: <input checked="" type="checkbox"/> N/A
	Date Effective: 2024-06-28
	Last Update: 2024-06-28
Contact: Finance and Audit Committee or delegate	

Policy Statement

1. Annual Budget Estimates

Finance staff and the Registrar/CEO will prepare an annual budget to be presented to and reviewed by the Finance and Audit Committee (the Committee) and presented to the Board for approval at least two weeks prior to the College fiscal year end (March 31).

If the Board does not approve the proposed budget, the Board can approve an interim spending authorization, allowing time for the Registrar/CEO to re-submit a revised budget at the next scheduled Board meeting.

The annual budget will adhere to Board-approved priorities in its allocation among competing budgetary needs, and will include:

- itemized accounting for revenues and expenses, with comparisons to previous fiscal year(s);
- a projection of any capital expenditures anticipated over the coming fiscal year;
- an overview of the current investment positions at the beginning of the fiscal year being budgeted;
- sufficient detail to enable reasonably accurate projections of revenues and expenses and cash flow;
- plans for revenue and expenditures in the coming fiscal year that adequately cover resource requirements and meet Board-approved goals, ideally without resulting in a deficit position, and supporting the maintenance of the restricted funds policy goal.

Reporting schedule: quarterly internal reports presented to the Committee by the Registrar/CEO; quarterly internal reports presented to the Board by the Registrar/CEO.

Reporting method: summarized financial statements, statements of operations, balance sheets, and forecast.



2. Annual Audited Financial Statements

The Committee will recommend the appointment of an auditor for Board approval to undertake a full, annual audit of the College's financial statements.

The audited financial statements will be presented to the Board for approval.

3. Assets

To maintain proper stewardship of College assets, the Registrar/CEO, under the oversight of the Committee, must make all reasonable efforts to limit losses beyond those necessary in the normal course of business.

The Committee and Registrar/CEO will ensure the College:

- maintains insurance against theft, fraud and cyber-attack, casualty losses to at least 80% replacement value, and liability losses to Board members, staff, or the organization itself to beyond the minimally acceptable level;
- is not unnecessarily exposed (Board members, staff, or the organization itself) to claims of liability;
- does not make any purchase of over \$100,000 without Board approval;
- safeguards the College's intellectual property, information, and files from loss or damage;
- maintains sufficient contingency funds to cover unexpected obligations such as legal fees, technological imperatives, or public liability and property damage claims that are not covered by insurance.

4. Capital Assets

Capital assets will be amortized over their estimated useful life. The College will record capital assets so that the cost of the asset can be amortized over the asset's expected life.

To be considered for capitalization, the asset will have a life expectancy greater than one year and a dollar value in accordance with Generally Accepted Accounting Principles (GAAP).

A log of all capitalized assets must be maintained. The Registrar/CEO will provide the accountant for the College with details of capitalized assets for their use in the preparation of financial statements.

5. Investments

The Committee may recommend the appointment of an independent investment manager for Board approval to manage a College investment portfolio. Any individual or organization appointed by the Board will comply with the Investment Policy recommended by the Committee and approved by the Board.



The overall objective of an investment portfolio will be to make a reasonable contribution to the College's current and long-term funding requirements, which includes working capital and reserve funds.

1. Policy Rationale and Purpose

The Board, delegated to the Committee, is responsible for managing providing oversight of the financial systems administration for the College. Financial systems include accounting practices and systems, audits, financial planning, budgetary control, assets, investments, revenues, and financial statements.

The policy outlines the content and reporting requirements of the annual budget and annual audited financial statements. Management of College investments is described in the Investment Policy.

2. Policy Scope

The policy applies to the Finance and Audit Committee, to any Investment Manager appointed by the Board, and any individual identified by the Committee as responsible for the management of the College's financial systems.

The policy applies to both content and reporting requirements for the annual budget and audited financial statements.

The policy includes oversight of assets and investments.

3. Legal Authority

This policy is linked to the following legislation and regulatory documents:

- CHCPBC bylaws
- Health Professions Act

4. Key Partnerships

None identified at this time.

5. Definitions

None at this time.



6. Process Check

The following documents have been consulted and applied to this policy.

- Board Policy Framework (in draft – use for reference)
- Safe Spaces Playbook
- In Plain Sight Report and Recommendations
- Other *Click or tap here to enter text.*

7. Resources/References

Chartered Professional Accountants Canada, [20 Questions Directors of Not-For-Profit Organizations Should Ask About Fiduciary Duty](#).

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