

PEACE WAPITI PUBLIC SCHOOL DIVISION NO. 76

POLICY DBA – Reserve and Capital Funds

The Board supports the establishment and maintenance of operating and capital reserves for the purpose of providing present and future cash requirements.

PURPOSE:

To assist the Board in maintaining its financial responsibilities.

GUIDELINES & PROCEDURES

1. The budget of each functional area should allocate funds to an operating reserve to provide cash flow for the jurisdiction. Ideally, total operating reserves should be maintained at not more than 3.25% of its annual budget. (Note that 3% equals approximately 1.6 weeks or almost 9 business days of operational expenses.)
2. The Corporate Treasurer shall notify the Board when it is necessary to draw on capital reserves to offset operational deficiency of revenue against expenditures.

REFERENCES

Cross References: links to

Legal Reference:

BM #: 138-97; 160-03; 20100318.1014