***335 Budgeting - Reserve Account***

1. Purpose:

The intent of this policy is to monitor and manage cost savings throughout the year within the existing budgeting process by institutionalizing a process wherein anticipated cost savings are transferred into an internal Reserve Account.

This policy is not intended to represent or refer to an Institutional Cash Reserve (Ref: Section #445) that exists outside of the annual budgeting process and is intended to support institutional operations in the event of revenue short fall.

1. Policy:
   1. This policy outlines:
      1. The creation of a Reserve Account
      2. The budget authority of the Reserve Account
      3. Management of the Reserve Account
2. Administration:
   1. The Finance Office shall have the responsibility to establish a separate account within the institutional budget entitled Reserve Account and making the debits and credits to the account, consistent with established procedure.
   2. Budget authority for the Reserve Account shall reside in the President’s office
      1. The President may delegate, at their discretion, budget authority for the Reserve Account
      2. Such delegation shall be in writing and shall be on file in the Finance Office.
3. Procedures:
   1. The Finance Office shall establish a separate account entitled Reserve Account.
      1. The President may request delineation of the Reserve Account into separate accounts as necessary to manage reallocation. The Finance Office shall ensure the Reserve Account can accommodate this flexibility
   2. The President, or their delegate, shall initiate transfers/entries into the Reserve Account.
      1. Upon identification of potential cost saving – such as unfilled or eliminated positions/projects – the President, or their delegate, shall complete a Reserve Account transfer form.
      2. The President may also re-allocate funds from the Reserve Account, at her discretion, utilizing the Reserve Account transfer form.
      3. The Reserve Account transfer form shall be sent to the Finance Director for processing.
         1. The Finance Director shall ensure entries to the Reserve Account are made in a timely way.

The Finance Director shall maintain all records of the Reserve Account activity, according to audit guidelines.