

BOARD POLICY ON BUDGET PROCESS AND APPROVAL

Approval Authority	Board of Governors
Primary Contact	President
Related Policies / Legislation	Board policy direction Financial Management (BPD-205) <i>University Act, s. 27 (1), (2)(l), 29 (1)(1-1), 62 (2)</i>

PHILOSOPHY

The Board has responsibility for ensuring that the university manages its financial resources responsibly, in a manner that furthers the mission, vision and values, mandate, and integrated strategic plan and related plans of the university, and in keeping with mandated requirements of the Province of BC. The Board meets this responsibility by approving the guiding principles and assumptions for the development of the capital and annual operating budgets, approving the budget plans, monitoring revenues and expenditures throughout the budget year, and evaluating the performance of the previous year's operating budget.

POLICY

The administration develops the budgets according to the following process, consults with the Senate and submits the capital and annual operating budgets of the university, which include tuition and fees, to the Board of Governors for review followed by adoption, with or without modifications.

REGULATIONS

The annual operating budget:

- Reflects the guiding principles and assumptions approved by the Board.
- Reflects the Vision, Mission, and Values, Integrated Strategic Plan and related plans, and current priorities of the university; this link is apparent in the budget recommendation submitted to the Board.
- Ensures expenditures do not exceed revenues as required by the University Act, Section 29 (1).
- Presents a plan for tuition and fees, to be determined and approved by the Board.
- Includes an analysis of contractual or externally imposed expenditures such as inflationary costs, statutory or legal obligations.
- Includes narrative details of the budget recommendation.
- Includes a summary of the prior year's budget by major function, including significant variances or changes that occurred.

The President, and/or designate informs the Board of the university's financial performance to budget at least quarterly throughout the year, including identifying possible or developing risks to the assets of the university and the administrative steps planned to prevent or mitigate these risk(s).

In the development of capital budgets, the university does not proceed with major projects unless the Board has identified, confirmed and approved funding for the project.
