

Section 3.00: FINANCIAL POLICY

3.00 FINANCIAL POLICY

3.01 FISCAL DISCIPLINE

Subject to section 3.17, no payment, and no commitment for a future payment, may be authorized that would result in the approved annual budget, in aggregate or in respect of the individual budget category (except for the investment in cash or cash equivalent instruments), being exceeded. Any breach of section 3.01 by an employee of TIS shall constitute a breach of his/her employment contract, and any breach of section 3.01 by a member of the Board shall constitute a just cause for removal under section 2.83.

Adopted by the Board October 17, 2007

3.02 BUDGET CLASSIFICATIONS

Business office will update 3.02

(a) Classifications for Control

The annual budget shall be approved and controlled on the basis of the following budget classifications:

- i. Budget classification by natures of revenues and expenses (see Exhibit No. 1)*
- ii. Budget classification of capital expenditures (see Exhibit No. 1)*
- iii. Budget classification by programs and activities (see Exhibit No. 3)*

(b) Classifications for Information

The annual budget shall be accompanied by forecasts according to the following additional classifications:

- i. Cash Flow Statement (see Exhibit No. 4)*
- ii. Statements of Financial Position (see Exhibit No. 5)*

(c) Management Classification

The Finance Committee shall approve a breakdown of the Expense classification ("Management Classification") that the Director and Business Manager will use for day-to-day management purposes.

Adopted by the Board November 20, 2007

3.03 BUDGET APPROVAL AND REPORTING

The annual budget shall be approved on the basis of the Classifications for Control. At the time the annual budget is approved by the Board, it shall also receive forecasts according to the Classifications for Control for the three years after the year of the annual budget as well as forecasts according to the Classifications for Information for all four years.

The Business Manager shall send monthly reports on the execution of the approved budget to the Finance Committee within 10 business days of the end of the month. The monthly budget execution report should set out according to the Classifications for Control the:

- Execution by month and year-to-date;
- Variations for each item in percentages;
- Amendments to the budget as a result of revised budgets approved by the Board and budget re-allocations approved by the Director pursuant to 3.17;
- Explanations for significant variations;
- Revised projections of budget execution until the end of the year; and
- Statement of cash position as at month end and projections of cash flow until the end of the year.

The Business Manager shall send to the Finance Committee quarterly reports on financial performance and position according to the Classifications for Information.

The Finance Committee shall send these reports, together with the minutes recording the Finance Committee's discussion of them, to the Board.

On request, the Business Manager shall send to Finance Committee monthly reports on the execution of the Expense budget according to the Management Classification.

The Business Manager shall send to the Treasurer monthly reports on progress in the collection of tuition fees by grade and student;

The requirement in 3.03 shall apply from January 2009.

*Adopted by the Board November 20, 2007
Amended by the Board November 19, 2008*