

**Policy Number: EL80**

**EXECUTIVE LIMITATIONS**

**SUBJECT: Financial Condition**

**POLICY STATEMENT**

With respect to the actual, ongoing condition of the organization's financial health, the Director of Education may not cause or allow the development of fiscal jeopardy nor a material deviation of actual expenditures from Board priorities established in *Expected Outcomes/Purposes* policies.

Accordingly, the Director of Education may not:

1. deviate from Ministry of Education regulations governing the use of education funding revenue.
  - Operational debt cannot exceed \$10M.
  - Capital debt cannot exceed the limits established in the Education Act.
2. use any Reserves.
3. expend funds that will create a deficit position in a fiscal year.
4. fail to settle payroll and debts in a timely manner.
5. allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.
6. on his/her own authority, nor allow any Board employee, to make any unbudgeted purchase without Board approval.

**Monitoring:**

Methods: **A. Internal: Expenditure Statement**

**B. External: Audited Financial Statements**

Frequency: **A. Quarterly beginning in December**

**B. Annual**

**Approval Date:** November 7, 2000

**Effective Date:** November 7, 2000

**Last Review Date:** June 10, 2008

**Revised:** September 18, 2007

**Signature of Chairperson of the Board:** \_\_\_\_\_

**Signature of the Secretary of the Board:** \_\_\_\_\_

Distribution: Board