



Registered Nurses Association
of the Northwest Territories
and Nunavut

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Administration Finance Policy

Policy Description: Allocation of Surplus

Policy Number: AF4

Effective Date: April 25, 2015

Signature:

Review Date: April 2018

New Policy _____

Revision: Partial **Complete** _____

Applies To: RNANT/NU Board of Directors

Purpose: To ensure the Board's stewardship of RNANT/NU funds.

Policy:

In the event that there is a surplus of funds at the end of a fiscal year, the Executive Director and the Treasurer will recommend to the Board the allocation of this surplus, based on the following principles in order of priority:

- (1) The Operating Surplus will be maintained at three months of budgeted operating expenses,
- (2) The Professional Conduct reserve will be maintained at a minimum of \$200,000,
- (3) Funds may be designated "in reserve" for the hosting of certain events such as Biennials or Conferences.

Conditions and Exceptions: N/A

Authority and Accountability: N/A

History: This policy revises and replaces 2003 policy 1.5 and Policy AF4 approved in 2006 and revised September, 2014.