

**Type:** Finance & Risk Management**Authority:** Board**Related Documents:****Preamble**

A clear operating budget guides the Executive Director and Leadership Team's spending.

Policy Statement

Annually, the Board will approve an operating and capital budget prior to the first day of the fiscal year.

1. An operating budget will be presented including the current year actual, proposed budget year, and at least one projected future year.
2. The capital budget will be presented with a three year projection of capital needs, including annual expenses and reserve allocations for large purchases in a future year.

209.01 Operating Budget

1. The Executive Director will consult with staff regarding departmental financial needs for the coming year in October/November of each year;
2. The Executive Director develops the annual operating budget based on department input for presentation to the Finance Committee no later than February of each year; and
3. The Finance Committee may recommend changes to the budget or recommend that the budget be forwarded to the Board of Directors for final approval.

209.02 Capital Budget

1. The Leadership Team will be asked to project capital requirements, for the following year, in December of each year;
2. Capital items include equipment, building upgrades, building maintenance, landscaping and other projects with a value of greater than \$3,000 exclusive of tax expense and having a useful life of more than one year;
3. For larger repairs or purchases, a proposal may come to the Board by Q2 in order to secure Request for Quotes (RFQs) if necessary.
4. Designated staff will complete a Capital Request Form (CRF) for each capital request;
5. Executive Director with the Finance Committee will review and prioritize the CRFs; and
6. The Finance Committee will recommend a capital expenditure budget to the Board for final approval.

209.03 Review Cycle

This policy will be reviewed at least every three years.

Original Approval: 11-27-2019**Reviewed On:****Revised On:** 11-23-2022