



MEDICINE HAT COLLEGE BOARD OF GOVERNORS POLICY MANUAL

EL-5: Restricted and Unrestricted Net Assets

POLICY NAME: Restricted and Unrestricted Net Assets	POLICY NUMBER: EL-5
POLICY TYPE: Executive Limitations	DATE APPROVED: 21 June 2016 DATE REVIEWED:

The President will maintain "Restricted Net Assets - Working Capital" between 2% and 5% of budgeted annual revenues to be used towards Innovation and Opportunities and fiscal stabilization.

The President shall inform the Board if "Unrestricted Net Assets" goes into a deficit position, and provide the Board with a plan of action required to restore operations to a balanced or surplus position.

Accordingly, the President shall not allow any transfer of funds into or out of an internally restricted net asset account (reserve) unless said transfer is approved by the Board through a separate resolution.

