

LANARK COUNTY COMMUNITY JUSTICE PROGRAM	POLICIES & PROCEDURES
SECTION: Finance	DATE: March 8, 2016
SUBJECT: Level of Reserves	HISTORY: New Policy
<p>Policy: Good financial management includes planning for unforeseen revenue and/or expense circumstances in the operations of the organization. This policy will set the guidelines and terms under which LCCJP may accumulate reserves to ensure sufficient monies are on hand for fiscal responsibility.</p>	
<p>Procedure:</p> <ol style="list-style-type: none"> 1. In the event there are cost savings or unanticipated general revenues in any fiscal year, the surplus may be allocated to a Reserve Fund. 2. The goal for the accumulated level of reserves will be sufficient funds to cover 25% of the organization's annual operating costs. This amount will allow for time to find additional funding sources to support the organization, or in a worst case scenario, to allow for the orderly dissolution of the organization and disbursement of any assets. 3. The Board of Directors will annually review the status of the Reserve Fund. 	