



POLICY 280

Restricted Reserves

1.0 Policy Statement

The Ontario Public School Boards' Association (OPSBA) is committed to fiscal responsibility and to providing value to its member boards through the strategic allocation of resources.

2.0 Objective

To provide a financial safeguard in the event of unforeseen circumstances/events and to provide general guidance about the use of OPSBA restricted reserve funds.

3.0 Purpose

To maintain a restricted reserve fund that approximates at least one year of operating expenses and outline the responsibilities for the use of this fund.

4.0 Definitions

- 4.1 *Surplus funds* are the total amount of excess revenues over expenses in a given budget year.
- 4.2 *Restricted reserve funds* are funds that are held for specific purposes as determined by the Board of Directors (E.g., Legal Action Fund, Working Reserve Fund, etc.)
- 4.3 *Unrestricted reserve funds* are surplus funds that are not restricted for specific purposes.

4.0 Application

This policy applies to OPSBA's Board of Directors, Executive Council, and Executive Director.

5.0 Responsibilities

- 5.1 The Board of Directors will:
 - a) Approve the use of restricted reserves
- 5.2 Executive Council will:

- a) Make recommendations to the Board of Directors regarding the use of restricted reserves

5.3 The Executive Director will:

- a) Annually report, as part of the approval of the Audited Financial Statement, on the status of reserve funds
- b) Promote through the budget development process a restricted reserve fund of at least one year of operating expenses is maintained

6.0 History and Review

- 6.1 Executive Council: November 25, 2023 (Draft)
- 6.2 Board of Directors: November 26, 2023 (Draft)
- 6.3 Feedback Period: November 27, 2023 – February 12, 2024
- 6.4 Board of Directors: March 1-2, 2024 (Final Draft for Review/Approval)
- 6.5 Recommended next review: 2027