

Ingersoll Support Services Inc.

Policy: Annual Budget	Policy #A 10 Section: Administration
Reviewed and Effective: April 1 2018 Date of Origin: April 1 2018	Ministry requirement -
<p><i>An annual budget provides a reasonable financial plan that allows people supported to work toward attaining personal outcomes, allows Ingersoll Support Services Inc. to meet its goals and successfully carry out the agency mandate within the community and forms the basis of the financial service contract with the funding Ministry.</i></p> <p><i>A financial budget is developed prior to the commencement of each fiscal year-end. The budget is approved by the Board of Directors and is used to monitor and evaluate the financial status of the organization throughout the fiscal year. The Board approved budget is submitted to the ministry in the approved format and within the deadline as determined by the Ministry of Community & Social Services.</i></p>	

Procedure:

The annual budgetary process involves two main phases:

1. Preparation
2. Monitoring

Preparation:

The Finance Department will begin preparatory work on the following year's budget approximately three months prior to the fiscal year-end. The budget will be guided by the Strategic Plan of the organization and the individual outcomes and needs of those supported. Beyond the Finance Department, the budgeting process will also engage Team Supervisors and Managers as necessary.

The final draft budget is submitted for review to the Finance Committee. Once reviewed and recommended by the Finance Committee, the annual operating budget is forwarded to the Board of Directors for approval.

Approval of the completed budget must occur prior to the organization's fiscal year end. Upon approval by the Board of Directors, the budget is submitted to the Ministry of

Community & Social Services in the format as directed by the ministry and within the required time deadline for submission.

Any amendments to the budget as may be required through ministry funding changes, personal outcomes or changes in program status are presented to the Finance Committee and identified in the monthly financial statement review. Any changes are brought forward to the Board of Directors by the Finance Committee.

Monitoring:

On a monthly basis, the Finance Department ensures that an internal financial report is prepared, comparing actual results with the approved budget and highlighting significant variances. A report is generated for the organization as a whole, as well as for each service site.

Managers review their location-specific reports and discuss any notable items with Team Supervisors, producing a plan to reconcile to the budget and address any ongoing negative variances, and/or the allocation of any projected surplus.

The organization-specific report is reviewed by the Finance Committee and Board of Directors. Where there is a significant deficit, alternative actions are considered and enacted if deemed necessary.

Externally, year-to-date reports are completed quarterly as per the MCSS Transfer Payment Governance & Accountability Framework. The YTD report highlights significant variances according to ministry detail code. These reports are prepared by the Finance Department and are brought forward to the Board of Directors by the Finance Committee. Year-to-date reports are due to the ministry according to the following schedule:

- Quarter 1 – June 15
- Quarter 2 – October 15
- Quarter 3 – January 15
- Quarter 4 – April 30

The annual budgeting process is concluded by the completion of the MCSS Transfer Payment Annual Reconciliation (TPAR), due to the ministry by July 31 of each year. The TPAR communicates the year-end financial position of the organization.