



STRATEGY IMPLEMENTATION RESERVE POLICY

MSVU Operating Environment

Mount Saint Vincent University's operating funds are provided through government funding, tuition fees and ancillary operations.

The Mount's operating expenditures fluctuate from year-to-year depending on enrolment and faculty staffing levels. Many other variables come into play; however, the aforementioned are the most significant.

MSVU Principles

The Strategy Implementation Reserve:

- Provides sufficient cash flow in the event that revenues (tuition fees and ancillary income) are not generated as expected;
- Provides sufficient cash flow in the event that the provincial government significantly reduces funding levels;
- Provides sufficient cash flow in the event that endowment investment income does not meet spending targets as outlined in the Board of Governors Endowment Management Policy;
- Provides sufficient levels of financial resources for strategic initiatives that could not be financed by the operating budget in any given year; and
- Provides sufficient levels of financial resources to respond to expansion opportunities and competitive challenges.
- Provides funding to the Facilities Renewal Reserve for deferred maintenance and other capital initiatives as permitted under that policy.

Policy Application

Allocation of reserve excess of less than \$75K is at the discretion of the President, on recommendation from the Vice President (Administration) and the Vice President (Academic). Allocation of reserve excess of more than \$75K will be recommended by the President to the Finance Committee, who in turn will recommend to the Board of Governors for approval.

On the recommendation of the Finance Committee, the Board of Governors may be asked to consider one-time transfers from the Reserve to the Operating Budget or to the Facilities Renewal Reserve.

Any allocation of the Strategy Implementation Reserve that would reduce the reserve below \$500K, must be approved by the Board of Governors, on recommendation from the Finance Committee.

Approved by the Board of Governors: February 10, 2005
Amended: May 29, 2008: February 25, 2016 (via consent agenda)