



Category: Finance	Responsible Owner: Finance Committee	Effective Date: October 28, 2019
Policy/Form Number: 3.2	Approval Body: Board of Directors	Policy/Form Name: Request for Funding and Business Case Policy and Procedure

A. POLICY:

PURPOSE/COMMITMENT:

The policy defines the Request for Funding Outside of the Budget period for Columbia College to provide a framework for effective financial and operational planning and to facilitate agreement on allocation of resources.

SCOPE:

All members of Society.

WHEN TO USE THE POLICY:

1. Outside of Annual Budget:

A business case is required for any Operating or Capital funding request not in the current annual budget and equal or greater than an established threshold. An explanation and request for approval of Operating costs less than the established threshold and small Capital spending requests less than the agreed upon capitalization threshold, will be approved by a designated committee, board or individual as defined in the Procedure document accompanying this Policy. This policy excludes hiring requests.

2. Annual Budget:

A business case is required for Operating or Capital funding equal to or greater than an established threshold, excluding hiring requests. An explanation of Operating and small Capital spending requests will be included in the line-by-line budget submission. This policy excludes hiring requests.

DEFINITIONS:

“Capital”: The fixed, one-time expenses incurred on the purchase of land, buildings, construction, and equipment. It is the total cost needed to bring a project to an operable status.

“Operating”: The annual ongoing cost of the project or request.

“Academic Expenditure”: Expenses under the jurisdiction of the Academic Board excluding funds relating to Operations.

“Non-Academic Funding”: Expenditure requests not under the jurisdiction of Committees or AcBo.

“Discretionary Funds”: Lump-sum budgets provided to designated committees and AcBo to use throughout the year for unforeseen spending not included in individual budgets. Approval by the designated committee is required before the funds can be accessed.

“Administration Working Group”: Made up of the Principal, Vice-Principal(s), Financial Controller, Manager of Human Resources, Director of Recruitment and Director of Student Services

“Responsible Owner”:
Finance Committee

Category: The category or grouping that the policy falls into i.e.
3.0 Finance

B. PROCEDURES:

The Business Case Form and supporting documents will include:

1. What is your request?
2. Provide a rationale for the request. What benefit does it have or what problem does it solve?
3. If the request impacts student fees or college expenses and if available, provide a comparison of competitive institutions to give you information for #4 below.
4. Describe the options being considered if any, the enrolment impact (if any), the financial impact (one time and 5 years into the future if applicable consulting with Finance), and the rationale for your recommended option. A description of each alternative must include looking at different ways of accomplishing the same thing ex. can the benefit or problem being solved, be accomplished in another way. It is important to show that this has been considered.
5. How will this request meet the goals identified in the Department, Division, Academic and/or Strategic Plan? Consult the Principal < VP Operations, VP Academic or Financial Controller if assistance is needed.
6. For costs over \$10,000 provide three detailed quotes, benefit of the particular vendor, the capacity of the organization to deliver, and external references with the recommended organization. Consult with finance.
7. Does the request pose any risk and how will you mitigate the risk?
8. Provide an overview of the project plan with key dates and responsibilities associated with the request (if applicable).

Committees and Academic Board (AcBo) Discretionary Funds:

1. A Discretionary Fund is given annually on a fiscal basis to the following committees at the time of the Budget. If the annual budget is not used in the current fiscal year it cannot be carried over to the next fiscal year (year-end is August 31st).
2. The Finance Department works with each Committee and the Academic Board to determine the level of funding required.
3. The Finance Department must be made aware of the approved funding and will maintain a sub-ledger of actual and remaining fiscal year spending on behalf of each Committee.
4. Funding levels are:
 - Academic Board (\$100,000),
 - Finance Committee (\$100,000),
 - OHSEC Committee (\$10,000),
 - Environmental Committee (\$10,000) and
 - Building Committee (\$15,000 broken down into \$5,000 per semester).

1. Requests Outside the Annual Budget Process:

Requests under \$500 (that do not exceed the remaining balance in the applicable Discretionary Fund):

- a. Requests under \$500 may be approved without a Business Case but with an explanation and reasonable demonstration of considering other alternatives that do not exceed the remaining balance in the Annual Discretionary Fund.

- b. This decision is recorded in the minutes of the Committee or Board and communicated to the Finance Department who will maintain a sub-ledger of actual and remaining fiscal year spending on behalf of each Committee and the Academic Board (AcBo).
- c. Committee and AcBo funds will be accessed from the allotted Discretionary funds while Non-Academic Funding requests will be accessed from the Finance Committee Discretionary Fund unless there are other appropriate budget areas that are underspent as determined by the Administration Working Group.

Requests Greater than \$500:

1. Committee and Academic Board (AcBo) Discretionary Fund Requests:
 - a. Requests greater than \$500 to up to \$10,000 may be approved with a Business Case if the request does not exceed the remaining balance in the applicable Annual Discretionary Fund.
 - b. Requests greater than \$10,000 must be additionally approved by the Board of Directors.
 - c. This decision is recorded in the minutes and communicated to the Finance Department who will maintain a sub-ledger of actual and remaining fiscal year spending on behalf of each Committee and the Academic Board.

2. Committee and Academic Board Discretionary Fund Requests Beyond the amount remaining in the Annual Discretionary Fund:
 - a. Requests under \$500 may be approved without a Business Case but with an explanation and reasonable demonstration of considering other alternatives. Requests greater than \$500 may be approved with a Business Case. In both cases, to gain consideration for funding, the steps below must be followed.
 - b. As the amount requested is greater than the amount remaining in the Committee or AcBo Discretionary Fund, the request is forwarded to Finance Committee for a recommendation relating to the source of funding.
 - c. If funds are remaining in the Finance Committee Discretionary Fund, the requestor may forward the request and supporting documents, to the Chair of the Finance Committee for approval to access the Finance Committee Discretionary Fund.
 - d. If funding is not available in the Finance Committee Discretionary Fund, or the Finance Committee does not approve the spending for whatever reason, the request and supporting documentation may be forwarded to the Board of Directors for approval.
 - e. Any spending requests beyond \$10,000 must be forwarded to the Board of Directors for approval.
 - f. Any spending requests beyond \$1 million must be sent to Society for approval at the next meeting of Society.
 - g. If more explanation is required, by either the Finance Committee, the Board of Directors or Society, follow-up will be requested by the next meeting.
 - h. All decisions are to be recorded in the applicable minutes and communicated to the Finance Controller who will maintain a sub-ledger of actual and remaining fiscal year spending on behalf of each Committee and the Academic Board.

3. Non-academic Fund Requests:
 - a. Requests greater than \$500 may be sent to the Administration Working Group for approval with a Business Case.
 - b. Non-academic funding decisions are made by the Administration Working Group and forwarded to the Finance Committee for funding consideration, unless there are other appropriate budget areas that are underspent as determined by the Administration Working Group.
 - c. If funds are remaining in the Finance Committee Discretionary Fund, Finance may forward the request and supporting documents, to the Chair of the Finance Committee for approval to access the Finance Committee Discretionary Fund.
 - d. If funding is not available in the Finance Committee Discretionary Fund, - the request and supporting documentation may be forwarded to the Board of Directors for approval.
 - e. Any spending requests beyond \$10,000 must be additionally forwarded to the Board of Directors for approval.

- f. Any spending requests beyond \$1 million must be additionally sent to Society for approval at the next Society meeting.
- g. If more explanation is required, by either the Finance Committee, the Board of Directors or Society, follow-up will be requested by the next meeting.
- h. All decisions are to be recorded in the minutes and communicated to the Finance Department who will maintain a sub-ledger of actual and remaining fiscal year spending on behalf of each Committee and the Academic Board.

LINKS TO SUPPORTING FORMS, DOCUMENTS, WEBSITE:

Business Case Form
 Business Case Flowchart

REFERENCE TO EMPLOYMENT AGREEMENT CLAUSES:

REFERENCE TO BYLAWS:

RELATED ACTS AND REGULATIONS:

RELATED POLICIES:

Finance Committee Terms of Reference
 Academic Board Terms of Reference
 OHSEC Terms of Reference
 Environmental Committee Terms of Reference
 Building Committee Terms of Reference

C. APPROVALS:

IF APPLICABLE:

Chair, Academic Board	Date:
Chair, Marketing and Recruitment Committee:	Date:
Chair, Finance Committee:	Date:

APPROVAL FOR ALL POLICIES:

Responsible Owner:	Date:
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Principal or Designate:	Date:
Chair, Board of Governors:	Date:

Proposed Review Date:	Dates(s) revised:	Replaces Policy/Form Number:
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