



## AP300.005 ANTICIPATED & UNANTICIPATED EXTRA REVENUE POLICY

Policy Type: Business Administration & Finance

Adopted: 06 2000

1. Typically, extra revenue will occur in one of the following two categories:
  - (a) Anticipated – Ministry of Education per student grant, Friends of LCS etc.
  - (b) Unanticipated – year-end surpluses, gifts from estates etc.
  
2. If a resulting increase in revenue is due to a category (a) item the following guidelines apply:
  - (a) the per student government grant will be the current operating year actual per student grant, and therefore - items that would be deferred items that don't fit in the operating budget will be considered first in Dec/Jan when updated grant information is available.
  - (b) an anticipated revenue budget will be presented with the original budget.
    - Revenue: Grants,
    - Expenses: Deferred Items, Sinking Fund (for unanticipated and required items), Debt Reduction
  - (c) These items will be reconsidered by the Finance Committee when new revenue figures are known, in order to determine continued need and priority of new items arising since the original budget was struck.
  - (d) Budgets will not be updated but actual increased revenue and expenses will be reported to the board and society.
  
3. If a resulting increase in revenue is due to a category (b) item the following guidelines apply:
  - (a) Analysis of the reason for the surplus will take place.
  - (b) The Director of Instruction will determine whether items should have been purchased in a particular educational expense category and if yes, then an accrual will be made to reduce the surplus.
  - (c) If 'surplus' is due to extra gifts (estate, will, annual donation, etc.) then the 'donation policy' will be followed.
  - (d) If 'surplus' is due to lower 'facilities costs' or 'financing cost' then the Operational Administration Team and the Finance Committee will recommend to the Board the use of these resources.