

EXECUTIVE LIMITATIONS

Budgeting any fiscal period or the remaining part of any fiscal period shall not deviate materially from board *Ends* priorities, risk fiscal jeopardy nor fail to show a generally acceptable level of foresight.

Accordingly, the Executive Director may not cause or allow budgeting which:

1. Contains too little detail to enable accurate projection of revenues and expenses, separation of capital and operational items, cash flow and subsequent audit trails, and disclosure of planning assumptions.
2. Plans the expenditure in any fiscal year of more funds than are conservatively projected to be received in that period.
3. Reduces the current assets at any time to less than 1.5 times the current liabilities or allows cash to drop below a safety reserve of less than \$50,000 at any time.
4. Does not provide for board prerogatives during the year, such as costs of fiscal audit and board development.
5. Deviates materially from board-stated priorities (see *Ends* policies) in its allocation among competing budgetary needs.
6. Is not derived from a long term administrative plan, which includes working towards a long-term reserve fund (Operating Equity - Appropriated) equal to six weeks' operating expenditures.