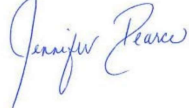
 <p>Registered Nurses Association of the Northwest Territories and Nunavut</p> <p>Page: 1 of 1</p>	<p>Administration Finance Policy</p> <p>Policy Description: Allocation of Surplus</p> <p>Policy Number: AF4</p>
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<p><b>Effective Date: February 2020</b></p> <p><b>Signature:</b></p>  <p><b>Review Date: February 2025</b></p>	<p><b>New Policy</b> _____</p> <p><b>Revision:</b> Partial _____ <b>x</b> Complete _____</p>
<p><b>Applies To: RNANT/NU Board of Directors</b></p>	
<p><b>Purpose: To ensure the Board's stewardship of RNANT/NU funds.</b></p>	

**Policy:**

In the event that there is a surplus of funds at the end of a fiscal year, the Executive Director and the Treasurer will recommend to the Board the allocation of this surplus, based on the following principles in order of priority:

- (1) The Operating Surplus will be maintained at three months of budgeted operating expenses,
- (2) The Professional Conduct reserve will be maintained at a minimum of \$200,000,
- (3) Funds may be designated "in reserve" for the hosting of certain events such as Biennials or Conferences.

**Conditions and Exceptions:** N/A

**Authority and Accountability:** N/A

**History:** This policy revises and replaces 2003 policy 1.5 and Policy AF4 approved in 2006 and revised September, 2014.