

**DOUGLAS COLLEGE ANNUAL OPERATING SURPLUS POLICY**

<b>Policy Name:</b> Douglas College Annual Operating Surplus	<b>Responsible Owner:</b> Vice-President, Administrative Services and Chief Financial Officer	<b>Created:</b> 1998 Jun
<b>Policy Number:</b> B01	<b>Approval Body:</b> College Board	<b>Last Reviewed/Revised:</b> 2025 Jan
<b>Category:</b> Board	<b>Replaces:</b> N/A	<b>Next Review:</b> 2031 Jan

**TABLE OF CONTENTS**

- A. PURPOSE**
- B. SCOPE**
- C. DEFINITIONS**
- D. POLICY STATEMENTS**
- E. PROCEDURES**
- F. SUPPORTING FORMS, DOCUMENTS, WEBSITES, RELATED POLICIES**
- G. RELATED ACTS AND REGULATIONS**
- H. RELATED COLLECTIVE AGREEMENTS**

**A. PURPOSE**

The Board of Douglas College (the College) requires the retention of an Annual Operating Surplus to safeguard the future operations of the College and furtherance of the College’s mandate and Core Purpose.

**B. SCOPE**

This policy applies to decisions regarding the annual retention of College operating funds.

**C. DEFINITIONS**

**Annual Operating Surplus:** Total revenues less expenses in a given budget year.

**D. POLICY STATEMENTS**

1. As part of its commitment to safeguard the future operations and solvency of Douglas College, the College Board requires an Annual Operating Surplus, which should, at a minimum, be equal to 2.5% of the College’s annual budgeted revenues.
2. Any use of the Annual Operating Surplus requires the prior approval of the College Board.
3. Any variance from this policy requires the prior approval of the College Board.

4. The Audit, Finance and Investment Committee of the College Board shall review this policy according to the College's policy review cycle and may recommend changes to the Board.

**E. PROCEDURES**

N/A

**F. SUPPORTING FORMS, DOCUMENTS, WEBSITES, RELATED POLICIES**

N/A

**G. RELATED ACTS AND REGULATIONS**

N/A

**H. RELATED COLLECTIVE AGREEMENTS**

N/A