



Games Financial Reserve Policy

<p>Purpose</p>	<p>The purpose of the Games Financial Reserve Policy is to ensure the stability of any national or international competition.</p> <p>The Games Financial Reserve Policy is intended to provide a source of funding for situations that arise unexpectedly, a sudden increase in expenses, unanticipated loss in funding, or uninsured losses.</p> <p>The reserve is not intended to eliminate an ongoing budget gap.</p> <p>The Games Financial Reserve Policy will be implemented in concert with the other governance and financial policies of Special Olympics New Zealand and is intended to support the goals and strategies contained in these related policies and in strategic and operational plans.</p>
<p>Policy</p>	<p>Definitions and Goals</p> <p>The Games Financial Reserve Policy is defined as a designated fund set aside by action of the Board of Directors. The amount to be designated as the Games Financial Reserve will be established in an amount sufficient to maintain ongoing operations and programs for an national or international campaign. The Games Financial Reserve serves a dynamic role and will be reviewed and adjusted in response to internal and external changes.</p> <p>The target Games Financial Reserve is equal to \$250,000. The calculation of this amount is the operating costs include all recurring, predictable expenses such as salaries and benefits, occupancy, office, travel, program, and ongoing professional services. Depreciation, in-kind, and other non-cash expenses are not included in the calculation.</p> <p>The amount of the Games Financial Reserve target will be reviewed each year, reported to the Finance, Audit and Risk Committee/Board of Directors, and included in the regular financial reports.</p> <p>Accounting for Reserves</p> <p>The Games Financial Reserve will be recorded in the financial records as Games Reserve. The Games Financial Reserve will be funded and available in cash or cash equivalent funds, including term deposits. The Games Financial Reserve will be maintained in a segregated bank account or investment fund, in accordance with investment policies.</p> <p>The Games Financial Reserve will be funded with surplus unrestricted funds from a national or international event. The Board of Directors may from time to time direct that a specific source of revenue be set aside for Games Financial Reserve. Examples may include one-time gifts or bequests, special grants, or special appeals.</p> <p>Use of Reserves</p> <p>Use of the Games Financial Reserves requires three steps:</p>



	<p>1. Identification of appropriate use of funds.</p> <p>The Chief Executive and staff will identify the need for access to the Games Financial Reserve fund and confirm that the use is consistent with the purpose of the reserves as described in this Policy. This step requires analysis of the reason for the shortfall, the availability of any other sources of funds before using reserves, and evaluation of the time period that the funds will be required and replenished.</p> <p>2. Authority to use Games Reserves</p> <p>Authority to use the Games Financial Reserve will be applied for at the next scheduled meeting of the Board of Directors, accompanied by a description of the analysis and determination of the use of funds and plans for replenishment to restore the Game Financial Reserve Fund to the target minimum amount. The Board of Directors shall determine whether or not the application for use of the Games Reserves Policy be approved, declined or require further work.</p> <p>3. Reporting and Monitoring</p> <p>The Chief Executive is responsible for ensuring the Games Financial Reserve is maintained and used only as described in this Policy. Upon approval for the use of Games Financial Reserve funds, the Chief Executive will maintain records of the use of funds and plan for replenishment. He/she will provide regular reports to the Finance Committee/ Board of Directors of progress to restore the Fund to the target minimum amount.</p>						
<p>Review</p>	<table border="0"> <tr> <td>Policy Reviewed By</td> <td>Board</td> </tr> <tr> <td>Date Reviewed:</td> <td>May 2024</td> </tr> <tr> <td>Next Review Date:</td> <td>May 2026</td> </tr> </table>	Policy Reviewed By	Board	Date Reviewed:	May 2024	Next Review Date:	May 2026
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