

 <p>The College of Naturopaths of Ontario</p>	Policy Type EXECUTIVE LIMITATIONS	COUNCIL POLICIES	
	Title Restricted Reserve Funds	Policy No.	EL17.01
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The Chief Executive Officer (CEO) shall not allow the College to have insufficient reserve funds in order to cover variable and/or unforeseen costs and expenses in key areas of activity as set out by the Council.

Accordingly, the CEO shall not fail to perform the following duties and responsibilities.

- 1 Establish and maintain the following reserve funds: Investigations and Hearings Reserve Fund, Patient Relations Reserve Fund, Succession Planning Reserve Fund, and the Business Continuity Reserve Fund.
- 2 Limit transfer of funds to and from the reserve funds to those that are set out in this policy, except and unless such other transfers have been approved by the Council upon recommendation of the Audit Committee or the Chief Executive Officer.
- 3 Ensure the reserve funds have the following amounts, as soon as practicable, and to maintain the funds at these amounts thereafter until otherwise directed by Council.
 - a) Investigations and Hearings Reserve Fund at a minimum of \$1,000,000 and a maximum of \$2,000,000.
 - b) Patient Relations Reserve Fund in the amount of \$100,000.
 - c) Succession Planning Reserve Fund in the amount of \$50,000.
 - d) Business Continuity Reserve Fund at a minimum of \$3,000,000 and a maximum of \$4,000,000.
- 4 Transfer funds into the reserve funds from the Colleges surplus in any given fiscal year, as determined by the preliminary audit presented to the Audit Committee, to bring the reserve fund amounts to the established minimum amounts, in the following priority sequence and amounts.
 - a) Patient Relations Fund – Up to the amount used in that fiscal year.
 - b) Investigations and Hearings Fund – 5% of surplus.
 - c) Business Continuity Fund - 10% of surplus.
 - d) Succession Planning Reserve Fund – 1% of surplus.
- 5 Transfer funds from the Investigations and Hearings Fund to cover any cost that exceed budgeted amounts in the fiscal year for costs related to legal costs for investigations and hearings, including appeals before any tribunal, conducting investigations, and conducting discipline and fitness to practice hearings.
- 6 Transfer funds from the Patient Relations Fund to cover any costs that exceed budgeted amounts in the fiscal year for payments for therapy and counselling under the Patient Relations Program.
- 7 Transfer funds to or from the reserve funds as directed by Council.

DATE APPROVED	DATE LAST REVISED
October 28, 2020	January 27, 2021