

## F-04 Contingency Reserve Policy

Section	Date Issued	Revision Date(s)	Date of Last Review
Finance	June 2019		June 2019

### 1. POLICY STATEMENT

This document outlines contingency reserves MARRT has established in the event of unforeseen expenses. It includes the baseline contribution of each fund, the yearly percentage allocated, and the maximum fund amount if any are described. (Table 1)

### 2. DEFINITIONS

**Legal Reserve:** established solely for the purposes of legal consultation

**General Contingency Reserve:** created in the event that incoming revenue does not provide enough monies to cover three months operating expenses of MARRT.

**Special Projects Reserve:** fund used for projects that may arise during the fiscal year.

**Funding of Therapy:** for the purposes of funding of therapy in cases of an adverse event occurring during the delivery of care by a MARRT member.

**RHPA Reserve:** for the purposes of legal advice, communication with stakeholders, committee expenses, involving the eventual transition of MARRT under the RHPA.

### 3. POLICY

- During the annual budget review, the aforementioned contingency reserves will be examined to determine the viability of each.
- The BOD will make decisions regarding each reserve and the amount to be contributed in that fiscal year.
- If capped reserves contain the maximum contribution there will be no contribution in that fiscal year.

- If a reserve has been depleted the BOD will decide on measures to replenish it and the timeline necessary to return the reserve to its baseline. The minimum annual contribution will be the yearly percentage of operating budget related to the individual reserve.

<b>Reserve</b>	<b>Minimum Baseline</b>	<b>Yearly Percentage</b>	<b>Capped</b>
Legal	\$50,000	10%	No
General Contingency	\$30,000	6%	Yes
Special Projects	\$20,000	5%	Yes
Funding of Therapy	\$20,000	2%	Yes
RHPA	\$5500	Flat rate	Optional

#### **4. REFERENCES**

None