

POLICY AND PROCEDURE

REACH for Tomorrow

POLICY: RF-210

TITLE: Budget

EFFECTIVE DATE: 7/20/24

AUTHORIZED BY: Board of Trustees

This policy shall apply to REACH for Tomorrow and all services operated by or under contract with it.

1.0 Budget

This policy defines requirements for preparation and monitoring of REACH for Tomorrow annual organizational budget.

2.0 Annual Budget

REACH for Tomorrow Board shall annually approve a written organization operating budget for the year.

- 2.1 Budget development shall include reasonable projection of revenues and expenditures and comparison to historical performance as well as consideration of financial trends, challenges, and opportunities.
- 2.2 Input from the organization's various stakeholders shall be included, as required.
- 2.3 Annual operating budget shall be approved by the Board, prior to the first day of REACH for Tomorrow fiscal year.

3.0 Carry Forward

In accordance with the Mental Health Code section 330.1226 of PA 258 of 1974 as amended, REACH for Tomorrow may carry forward up to five percent of their state authorized amount in excess of the operating budget.

4.0 Monitoring

REACH for Tomorrow Board and leadership will regularly monitor its performance against budget.

- 4.1 Monitoring shall include comparison of revenue and expenditures to the annual approved budget.
- 4.2 Consideration of financial trends.
- 4.3 Consideration of emerging financial challenges and opportunities.
- 4.4 Comparison of revenue and expenditures in consideration of available management information data.

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5.0 Use of Excess Funds

It is the intent of REACH for Tomorrow to ensure that any identified excess funds are used to benefit priority populations, if and when excess funds exist.

6.0 Budget Amendments

REACH for Tomorrow Board shall amend its approved annual budget as necessary in order to assure:

- 6.1 Annual balanced budget;
- 6.2 Emergent business needs;
- 6.3 Financial solvency; and
- 6.4 Facilitation of ethical governance practices.

7.0 Reporting

Financial budget information shall be regularly reported to REACH for Tomorrow Board and personnel; persons served, as appropriate; as required; and other stakeholders as necessary.

References

CARF Standards Manual, Financial Planning and Management