

Financial Reserve Policy

Definitions and Restrictions

Intention:

This document is intended to outline the financial reserve procedures of the Journal Publishing Society (henceforth "the Journal"). This document will outline the powers and responsibilities of various parties within the Journal as it pertains to the Journal's financial reserve.

Definitions:

"Power of Expenditure" shall be defined herein as the legitimate authorization by the Journal to spend funds held within the Society's financial reserve.

Financial Reserve:

The financial reserve of the Journal is defined as account(s) holding cash, government bonds, or other low-risk, secure, and highly liquid assets which can be accessed readily in case of a fiscal emergency. The financial reserve may be no less than \$10,000 CAD but has no upper limit.

Account Purpose:

The Journal's financial reserve is to be a form of fiscal safety net for the society. The Journal may only withdraw from the financial reserve in the event that the Journal faces an unforeseen expense that cannot be reasonably absorbed by the society's annual budget or other cash reserves. This purpose does not rule out withdrawing reserve funds in order to preserve the value of investments or assets for which the Journal would otherwise have to liquidate at unfavorable rates.

Executive Director:

The Executive Director is responsible for managing the financial reserve and ensuring it is maintained and accounted for. The Executive Director may only withdraw funds as directed by the Journal's Board of Directors. It is the Executive Director's responsibility to advise the Journal's Board of situations where the financial reserve may need to be withdrawn.

Board of Directors:

The Journal's Board of Directors is the sole body that may decide when and for what reason it is appropriate to withdraw funds from the financial reserve. The Board of Directors may authorize withdrawing funds by passing a simple majority (50%+1) vote.

The motion to withdraw funds must stipulate the following:

1. The specific amount to be withdrawn;
2. The purpose of what the funds will be used for, and;
3. The individual(s) responsible for overseeing the withdrawal process.

Typically, the withdrawal process will be conducted by the Executive Director but may be completed by any individual appointed by the Board including but not limited to: Board Chair, Board Vice Chair, or Executive Editor.

The Board may revoke the power of expenditure of any or all individual(s) given it with a simple majority vote at any time. After voting to revoke power of expenditure, the Board must provide written notice, which includes but is not limited to email, to the individual(s) before the revocation takes effect. It is not required that the individual(s) respond or acknowledge this written notice once it has been received.

Reserve Replenishment:

In the event that a withdrawal from the Journal's financial reserve account(s) puts the total balance below \$10,000 CAD, the Society must budget to refill the reserve within 2 years (24 months) from the date of the first withdrawal. This may be done through budget cuts, revenue increases, or other means that do not push the Journal into debt. The Board of Directors may extend or shorten this deadline with a simple majority vote.