

Restricted Funds

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Executive Sponsor:	Chief Financial Officer and VP Finance and Corporate Services
Department Responsible:	Financial Services
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Policy Statement

BCIT receives external funding sometimes bound by restrictions on its use. These restrictions are imposed by an agreement (contract) with an external party (usually the donor or grantor) and specify the purpose or purposes for which the resources are to be used.

In administering and controlling these funds, BCIT must follow generally accepted financial and administrative control practices, supplemented by the additional requirements of the agreement, to ensure transparency and accountability.

Purpose of Policy

The purposes of this policy are to:

- Establish a process to account for received funds that are externally restricted, in a manner that is consistent with requirements of the CPA Canada Handbook (Public Sector Accounting Standard PS 3100)
- Build in public transparency and accountability in the accounting for these funds

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Who This Policy Applies To

This policy applies to all BCIT employees who receive funds on behalf of the Institute from external sources.

Related Documents and Legislation

Chartered Professional Accounts Canada, CPA Canada Handbook (Public Sector Accounting Standard PS 3100 – Restricted Assets and Revenues)

BCIT Policies

Policy 2501, Contracts

Policy 7000, Gift Acceptance

Policy 7002, Corporate Sponsorship

Definitions

None

Guiding Principles

All contracts entered into must offer an overall benefit to BCIT, providing for resources, equipment, or facilities not otherwise available from BCIT funds, academic benefits to faculty, or additional educational opportunities for students.

Duties and Responsibilities

Financial Services

Financial Services is responsible for:

- Ensuring documentation compliance with PS 3100 for externally restricted funds
- Keeping contract documentation up to date

See the related Procedure for details regarding managing and accounting for restricted funds.

The School or Department Receiving External Funding (Contract Holder)

The school or department is responsible for:

- Adhering to the requirements of Policy 2501, Contracts
- Complying with all requirements detailed in the contract or agreement, including future reporting requirements of the grantor or donor
- Monitoring and amending documentation as needed

See the Procedure for details.

BCIT Foundation

The BCIT Foundation is responsible for:

- Understanding the financial impact of the agreement
- Ensuring all related documentation is complete
- Complying with the donor agreement's reporting requirements

See the Procedure for further details.

Procedures Associated with this Policy

2020-PR1, Restricted Funds Procedure

Forms Associated with this Policy

See 2020-PR1, Restricted Funds Procedure

Amendment History

		<u>Approval Date</u>	<u>Status</u>
Created:	Current Restricted Funds v1	1988 Jun 28	
Revised:	Current Restricted Funds v2	1998 Jun 16	Replaced
Revised:	Current Restricted Funds v3	2003 Jun 16	Replaced
Revised:	Current Restricted Funds v4* <i>*Procedure section separated from policy</i>	2017 May 03	Replaced
Revised	Restricted Funds v5	2023 Apr 04	In Force

Scheduled Review Date

2025 April 04