

Budget Deficit Policy -Board Approved 5/19/23

Amended 1/20/2023 Previously 11/22/2019; 03/31/2016; 4/17/15

Purpose: To ensure timely review of the financial health of the organization.

The following safeguards are put in place to ensure that actual performance in each fiscal year equals or exceeds the budgeted results.

The following triggers will require action by the Finance Committee. At the Finance Committee's discretion, a trigger may be presented to the full board for appropriate action.

1. If the Gala generates in total a net amount that falls short of the budgeted amount in excess of 10%.
2. Individual contributions fall short of budgeted amount by 10% as of December 31.
3. Net income for the first half of the fiscal year underperforms the budget by 10%.
4. Third quarter year to date net income underperforms budget by 10%.
5. Fourth quarter net income results in a deficit for the fiscal year.

The Board will formally review actual versus budget at a minimum semi-annually.

Re- Approved and Adopted by the Board of Trustees on the 19th day of May, 2023;

previously approved 1/20/2023; 11/22/2019; 3/31/2016; 04/17/2015

Note: The budget will be seasonalized based on history and significant known changes.