

Community Lutheran Partners, Inc.

ANNUAL BUDGET

Effective Date: 18 September 2006

Review Date: Yearly

Policy No. P05

POLICY

A financial budget will be developed prior to the commencement of each fiscal year-end. The budget will be approved by the Board of Directors and will be used to monitor and evaluate the financial status of the Organization throughout the fiscal year. Annual budgets should allow the Organization to meet its goals and successfully carry out its mission and strategic plan.

PROCEDURE

1. Three months prior to the start of the new fiscal year, the Executive Director and Treasurer will meet to discuss the upcoming fiscal year's operating budget.
2. The budget will then be reviewed by the Board of Directors for reasonableness and overall feasibility. This should be done via e-mail, prior to the last Quarterly Board Meeting. At the last Quarterly Board Meeting, revisions with suggested changes will be discussed. The capital expenditures if any will also be reviewed and approved by the Board of Directors. The budget should be approved at this meeting or as soon as possible, but no longer than 30 days after the Board Meeting adjourns.
3. On a Quarterly basis, the Board of Directors will be given financial statements that compare actual results with the approved consolidated budget and advised of any significant variances. The Executive Director and/or Treasurer will also recommend to the Board an action plan that will reduce or reverse significant ongoing negative variances.
4. This policy will be reviewed annually by the Officers of the Board.