SASKCULTURE INC.
BOARD OF DIRECTORS POLICY

Policy Name:	Budgeting	**Number:**	EL-4
Policy Type:	Executive Limitations	**Date Approved:**	April 2000
		Latest Revision:	February 2007

With respect to SaskCulture's operations plan, budgeting for any fiscal year or the remaining part of any fiscal year shall not deviate materially from Board's Ends priorities in allocation of resources, risk fiscal jeopardy or fail to be derived from a multi-year plan.

Further, without limiting the scope of the above statement by the following list, the General Manager shall not cause or allow budgeting which:

1. Plans the expenditure in any fiscal year of more funds than are conservatively projected to be received in that period including an existing surplus, subject to point 3 below.

2. Contains too little information to enable credible projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning assumptions.

3. Allows the working capital to drop below a safety reserve of less than 10 % of the global trust grant received in that fiscal year.

4. Neglects to provide sufficient funds as determined annually by the Board for the Board's direct use during the year, such as costs of fiscal audit, professional fees, Board development, as well as Board and committee meetings.

5. Compromises funding amounts as adjudicated by the appropriate arms-length mechanism administered through SaskCulture.

6. Endangers the fiscal soundness of future years or ignores the building of organizational capability sufficient to achieve ends in future years.

7. Allows the organization's accumulated surplus to drop below 25% of the operational budget.

1. a straight line method.