POLICY: FD-II-3

DEPARTMENT: Finance

CATEGORY: Financial Planning/Monitoring

EFFECTIVE DATE: July 2019

SUPERSEDES VERSION DATED: November 2008

Page 1 of 1

Policy & Procedure Manual

VARIANCE ANALYSIS – FD-II-3

POLICY:

Year to date variance analysis will be carried out monthly and reported on a quarterly basis and as requested.

PURPOSE:

To evaluate performance in relation to the financial expectations as determined by the approved budgets.

PROCEDURE:

- 1. It is expected that a variance analysis will be carried out monthly upon the receipt of the financial statements by each Supervisor/Manager/Director.
- 2. Upon receipt of a complete set of Financial Statements at the 2nd and 3rd quarters, a variance explanation will be required from each Supervisor/Manager/Director for significant line variances of 10%. The Supervisors reports are due to the Manager, Community Services five days following receipt of the statements. All Director reports using form FD005 Variance Explanation & Action Plan are due to the Executive Director seven days following receipt of the statements and a copy is sent to the Director Finance and Administration.
- 3. Any significant issues or potential issues should be outlined in the report with suggested solutions.
- 4. If budget calendarization issues arise, adjustments can be made to the monthly budget figures by forwarding a memorandum to the Director, Finance and Administration

RECOMMENDED BY: Director, Finance and Administration **APPENDICES:** 1

OPERATIONAL ACCOUNTABILITY: Administration, Finance, Community Services Administration

ORIGINAL POLICY DATE: July 1993

AUTHORIZED BY: Executive Director

SIGNATURE:

Variance Explanation & Action Plan						
Cost Centre For Period Ending]			POLICY FD-II-3 Appendix A
Variance(s):	This section is to d	contain details rega	rding the variance(s	s) and reason be	hind them.	
Account:	YTD Actual	YTD Budget	YTD Variance		Reason for Varian	ce (Variance > 10%)
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Action Plan: Account:	Provides information	on on how you will	handle the variance	Action Plan		
Account.				ACTION FIGH		
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