

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:



