

BRIEFING NOTE

TO: Executive Committee

FROM: Fizza Asad, Accounting and HR Specialist

DATE: November 20, 2023

SUBJECT: Draft 2024 Budget

For Decision

For Information

Monitoring Report

Purpose:

To review and approve the College's 2024 operating budget.

Background:

The College's operating budget provides a forecast of revenue against operating expenses for the coming fiscal year, presented in an income statement format. The budget for each account line is estimated based on:

- Fiscal year end cost projections
- Actual figures at October 31, and the account variances to the 2023 budget
- Five-year historical averages and expense trends (to review pre- and post- COVID-19 cost trends)
- Vendor work orders and quotes for planned and anticipated projects and initiatives
- Fixed costs (based on current contracts)
- Estimates for Board/Committee meetings and activities
- 2023 College statistics (number of Registrants, Students, etc.)
- Projected 2024 statistics (anticipates membership numbers)
- Contingencies for operating activity (IT, Cybersecurity, Equipment)

For Consideration:

A number of proposed budget items differ from the 2023 fiscal year budget:

- The College continues to work with an Investment Advisor to ensure that we have secured the most competitive rates for our investments against the current financial markets, resulting in increased anticipated investment income
- Budgeted Committee meeting expenses reflect the Board's direction to continue with virtual meetings only
- Budgeted Board meeting expenses reflect the Board's direction for one in person meeting in June, with all other meetings remaining virtual
- Costs for Database include new project to support online applications, renewals, and regulatory changes.

- Budgeted External Relations expenses allow for more in person Board/Staff attendance at national conferences and trade show

Prior to reviewing the budget, the Board will be discussing whether to hand over administration of the national examinations over to NACOR. Two versions of the budget have been prepared for the Board's review, based on the results of the discussion. Version A is similar to previous year's budgets, while version B reflects the College's income and expenses without NACOR exams. Budgeted line items for National Exam Revenue, Examiner Expenses, Model Expenses, and General Exam Expenses (budgeted under General Expenses) have been removed from this draft.

Recommendations/Action Required:

To review the draft budget as presented and recommend its approval to the Board of Directors.