

POLICY FOR GRAIL MAJOR MAINTENANCE PORTFOLIO

November 1, 2019--DRAFT

Background

For many years the National Grail has provided funds to our two major Centers, Grailville and Cornwall, to cover the costs of major capital investments. The funds for these subsidies have been taken from the Major Maintenance Portfolio that was established in 2000 with \$56,000 drawn from the General portfolios for the purpose of assisting the Centers to cover the costs of non-routine building maintenance projects.

Since its inception the Major Maintenance portfolio has received a portion [25% under the asset allocation policy] of all major gifts made to the National Grail that were not otherwise allocated by the donor.

The definition of “major maintenance” has been left somewhat vague, but in practice the funds have generally been used for projects and acquisitions that meet the criteria for capital expenditures i.e. cost greater than \$500 and estimated life greater than 1 year.

Policy

- Executive Director will submit to Council planned Major Maintenance projects for the next year during the budgeting process with the understanding that unforeseen emergencies and opportunities arise that require MM funds and these situations cannot be predicted at the time of budgeting.
- Executive Director will use wise judgement taking into account priorities of the Grail and all factors when considering what projects to undertake.
- While there is no maximum threshold for any given year, the goal should be a Major Maintenance budget of less than \$35,000 per year per property.
- The Finance Team will review the \$35,000 figure every 2 years and notify the Executive Director if the goal will be adjusted. This review will take place prior to the submission of budgets in odd-number calendar years.
- Proposals a major maintenance project not identified during the budgeting process, or if there is an excess of the \$35,000 goal, may be submitted for Council consideration as they arise.