



# Restricted Fund Policy

Version 4  
Sept. 27, 2023  
Finance

# Restricted Fund Policy

## 1. Table of contents

<b>2. Introduction .....</b>	<b>2</b>
2.1 Policy statement .....	2
2.2 Purpose .....	2
2.3 Definitions.....	2
<b>3. Policy.....</b>	<b>2</b>
3.1 Duties and responsibilities.....	2
3.2 Application of the policy .....	2
3.2.1 Current Restricted Funds .....	2
3.2.2 Future Restricted Funds.....	3
3.2.3 Contributions and expenditures from Restricted Funds.....	3
<b>4. Administration.....</b>	<b>4</b>
4.1 Related documents and legislation.....	4
4.2 Procedures .....	4
4.3 Forms .....	4
4.4 Amendment history .....	4
4.5 Scheduled review date.....	4

# Restricted Fund Policy

## 2. Introduction

### 2.1 Policy statement

The Alberta Motor Vehicle Industry Council (AMVIC) is Alberta's automotive industry regulator. AMVIC is a public agency accountable to the Minister of Service Alberta and Red Tape Reduction and the Government of Alberta.

Part 2 of the Automotive Business Regulation and Section 3 of the AMVIC Bylaw 1 – Governance outlines the operating authorities of the AMVIC Board of Directors, thereby giving the board authority to establish Restricted Funds and policies pertaining to those Restricted Funds.

### 2.2 Purpose

The purpose of the Restricted Fund Policy is to establish that, from time to time upon the recommendation of the Finance and Risk Management Committee, the board can create, collapse or authorize expenditures from various restricted funds to meet organizational requirements. In addition, this policy gives AMVIC management guidance to administer the Restricted Funds.

### 2.3 Definitions

In this policy:

- i. "Board of Directors" or "board" means the AMVIC Board of Directors;
- ii. "CFO" means the chief financial officer for AMVIC;
- iii. "Finance and Risk Management Committee" means the committee of the board responsible for overseeing the financial policies and strategy of AMVIC, stewardship of financial assets, and the management of funds and assets; and
- iv. "Restricted Fund(s)" means a reserve of money that can be used only for specific purposes.

## 3. Policy

### 3.1 Duties and responsibilities

It is the responsibility of the board through the Finance and Risk Management Committee and CFO to ensure compliance to this policy.

### 3.2 Application of the policy

#### 3.2.1 Current Restricted Funds

1. Sustainability Fund

## Restricted Fund Policy

- a. This fund is established to provide the financial resources for any unforeseen financial obligations AMVIC may encounter.
  - b. Contributions to the fund and expenditures from the fund are at the sole discretion of the board.
2. Innovation and Technology Fund
  - a. This fund is established to provide the financial resources for management to make AMVIC operations more effective or efficient through innovation and technology driven projects.
  - b. Contributions to the fund and expenditures from the fund are at the sole discretion of the board.
3. Operating Fund
  - a. This fund is established to provide the financial resources for an orderly windup of AMVIC.
  - b. Contributions to the fund and expenditures from the fund are at the sole discretion of the board.

### 3.2.2 Future Restricted Funds

In order to carry out the purposes for which AMVIC was established, the board can establish additional Restricted Funds and amend existing funds upon recommendation by the Finance and Risk Management Committee. The purpose for each established fund will be clearly defined.

### 3.2.3 Contributions and expenditures from Restricted Funds

The Finance and Risk Management Committee will make recommendations for contributions to Restricted Funds in order to fulfil the purpose of each fund.

All Restricted Fund expenditures must be approved by resolution by the board. Once an expenditure is approved by the board, the CFO will manage the expenditures within the guidelines established by the board resolution.

# Restricted Fund Policy

## 4. Administration

### 4.1 Related documents and legislation

Automotive Business Regulation  
AMVIC Board Governance Policy  
AMVIC Bylaw 1 – Governance

### 4.2 Procedures

### 4.3 Forms

### 4.4 Amendment history

Version	Date	Summary of update
1.	January 2015	Original approved.
	Feb. 8, 2019	Administrative change: <i>Fair Trading Act</i> to <i>Consumer Protection Act</i> .
2.	June 18, 2019	Conversion to new policy template.
3.	Oct. 6, 2020	Revision for role of Finance and Risk Management Committee.
4.	Sept. 27, 2023	Updated reference to Service Alberta and Red Tape Reduction. Reviewed and approved by board of directors.

### 4.5 Scheduled review date

October 2026