



Administrative Policy Manual
Code: AP Finance

AP1110 - SPECIAL RESEARCH FUNDS

1.0 PURPOSE

To provide the framework for the use of Special Research Funds at Interior Health (IH).

2.0 DEFINITIONS

TERM	DEFINITION
Special Research Fund (SRF)	A means to handle grants and other funds received on condition that they are spent only for stated purposes.
Account Administrator	IH employee with the responsibility for ensuring a special research fund account is used in alignment with IH policy and funding agency requirements.

3.0 POLICY

- 3.1** SRFs are created and utilized to handle grants or other funds received for a stated purpose. The use of SRFs within IH is supported provided there is proper accountability and control of the assets within these funds; sufficient activity to warrant maintaining the fund, and; continued evidence that the fund serves a purpose supported by the organization, and/or that the fund structure is relevant to the organizational needs.
- 3.2** SRFs are intended for very limited use within IH. Department education funds, contributions from suppliers to departments, and ancillary departmental revenue are all to be captured through regular IH operating funds. Similarly, donations and endowments for operating or capital programs shall be directed to any one of the Foundations supporting IH based facilities and programs.

4.0 PROCEDURES

4.1 Fund Creation

- SRFs are established through the Corporate Director, Financial Services, at the request of the Corporate Director, Research. The request must provide details for the purpose of the SRF, and meet the criteria for the creation of an SRF. There must be one designated signing authority for each SRF who has the authority to approve or commit funds as per IH policy AP0700 Signing Authority.
- Segregation of funds is established by the assignment of a unique account number that is linked to the fund name, source of fund information, and assigned Account Administrator.

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- The Account Administrator is responsible for ensuring the SRF is used in alignment with IH policy and the funding agency requirements, and that all reporting requirements are met.
- Funds will be collapsed at the end of the project the SRF was created for, and residual funds will be administered in accordance with the respective agreement.

4.2 Accounting Treatment

- The accounting treatment for SRFs follows the applicable Generally Accepted Accounting Principles (GAAP) and the CIHI Standards for Management Information Systems.
- The proper recording of expenditures, recognition of fund revenue, maintaining records of balances (control accounts and subsidiary accounts), and periodic reporting to fund Administrators is the responsibility of Financial Services.
- The authorization of expenditures of SRFs must follow all applicable IH policies and procedures. These include, but are not limited to, conflict of interest, fair purchasing practices, reimbursement of travel expenditures, and contract management.

5.0 REFERENCES

- Canadian Institute for Health Information (CIHI). (2016). *Standards for Management Information Systems*.
- Interior Health. (July 2016.) Administrative Policy Manual: *AP0700 Signing Authority*.
- Island Health Authority. (2016). Finance Policy 4.7.1: Special Purpose and Endowment Funds.

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