

Cash Reserves Policy

Approval Date: March 2026

Approval Authority: LUSA Executive

Review Date: March 2027

Contact Officer: LUSA President

Purpose

The purpose of this policy is to outline the amount of cash reserves LUSA should hold in order to operate sustainably and stay financially viable for a determined amount of time, and encounter no debts in the event of loss of current funding.

This policy will ensure that money saved towards cash reserves from the Student Service Levy is spent in ways that benefits students.

Principles

- 1) There will be enough cash reserves to allow:
 - For costs to be covered between Student Service Levy payments to LUSA
 - For any future long-term investment strategy
- 2) In the case of dissolution of LUSA's current funding, there will be enough cash reserves to allow:
 - For twelve months of overhead costs
 - For twelve months of operational costs
 - To pay all liabilities

Responsibilities

The LUSA President and Executive will:

- Determine the principles of the Cash Reserves Policy in terms of time period of effective cash reserves.
- Collectively review that the cash reserves plan reflects current principles of the Cash Reserves Policy.

The General Manager will:

- Ensure the principles of the Cash Reserves Policy are upheld in the running of the organisation
- Liaise with LUSA's accountant when needed to discuss adequate cash reserves and use or update the current cash reserves plan as needed.

Review

This policy should be reviewed annually by the LUSA Executive in conjunction with setting the annual budget.