

**The Arts Undergraduate Society Financial By-Laws
Ratified by AUS Council: Nov. 23, 2004**

Article I: Definitions

- 1.1 “AUS” shall refer to the Arts Undergraduate Society of McGill University.
- 1.2 Both “Organization” and “Internal Entities” shall refer to all departmental associations, committees, publications or other groups whose majority funding comes from the Arts Undergraduate Society.
- 1.3 “The Society” shall refer to all members of the Arts Undergraduate Society.
- 1.4 “Council” shall refer to the Council of the Arts Undergraduate Society.
- 1.5 “FMC” shall refer to the Financial Management Committee of the Arts Undergraduate Society.
- 1.6 The “Executive Committee” shall refer to the committee made up of the AUS executive committee.
- 1.7 The “Operating Budget” of the AUS shall refer to all revenue received from the AUS base fee (minus departmental allocations), cafeteria revenue, SNAX profit, and any non-earmarked revenue.

Article II: Interpretation

- 2.1 These regulations govern all the financial dealings and affairs of the Society and are administered by the Vice President Finance, along with the rest of the executive committee under the supervision of Council.
- 2.2 These financial by-laws are to be used in conjunction with the Constitution and by-laws of the Arts Undergraduate Society of McGill University.
- 2.3 The finances of the Society as a whole shall be governed by Council, which will consider recommendations of the FMC and Vice President Finance.

Article III: Freedom of Information

- 3.1 Any member of the AUS may have access to any of the financial records of the AUS during normal business hours. To view the financial records of the AUS, a meeting with the Vice President Finance must be arranged in advance.

Article IV: Accountability

- 4.1 The Vice President Finance and President may suspend any organization’s budget and/or refuse to allocate any funding due to the inappropriate nature of the allocation. At the next Council meeting, a decision to accept, or reject, Vice President Finance and President’s decision must be made.
 - 4.1.1 Should Council suspend an organization’s budget, a simple majority vote is necessary to re-instate the budget at any time.
- 4.2 Organization’s signing officers shall be held responsible for the misuse of funds. In such cases, the FMC will make recommendations to Council for legal and/or disciplinary action.
- 4.3 No individual member of the Executive Committee, FMC, or member of the Society shall incur debts on behalf of the Society.

Article V: Allocation of Funds

- 5.1 Thirty-five per cent (35%) of the base fee collected each semester by AUS is allocated to a Department Fund.
 - 5.1.1 Two-thirds (2/3) of the Department Fund (“The Major Fund”) will be allocated to Department Associations based on the number students registered in the majors, honours, and joint honours concentrations of the department or program.
 - 5.1.2 The remaining one-third (1/3) (“The Minor Fund”) will be allocated to Department Associations based on the number students registered in a minor concentration of the department or program.
- 5.2 The amount entitled to Department Associations for each student from the major/honours/joint-honours concentrations portion of the Fund (the “Per Capita Major Entitlement”) shall be equal to the Major Fund divided by the total number of majors, honours, and joint honours concentrations among the entire Society.

- 5.3 The amount entitled to Department Associations for each student from the minor concentrations portion of the Fund (the “Per Capita Minor Entitlement”) shall be equal to the Minor Fund divided by the total number of minors among the entire Society.
- 5.4 The total amount entitled to Department Associations will be equal to the total number of majors, honours, and joint honours students in the department times the Per Capita Major Entitlement, plus the total number of minor students in the department times the Per Capita Minor Entitlement [(dept. majors + dept. honours + dept. joint honours) * (2/3)*(Fund)/(majors + honours + joint honours) + (dept. minors)*(1/3)*(Fund)/(minors)].
- 5.5 Funds not claimed by Departments shall be returned to General Revenues.
- 5.6 All departmental associations with a minimum of five (5) students, must receive a minimum of \$75 in student fees per semester.
- 5.7 The base fee allocation to Departmental Associations shall be the same in the fall and winter semesters.
- 5.8 Within 10 business days of the beginning of the fall semester the Vice President Finance must inform the departmental associations of their student fee allocation.
- 5.9 No funds shall be issued to any departmental association until it has submitted the following to the Vice President Finance:
- i) the Constitution of the Departmental Association;
 - ii) the list of executive officers of the Departmental Association;
 - iii) a detailed budget proposal for the current academic year.
- 5.10 No funds shall be issued to any committee, publication, or other Organization until it has submitted to the Vice President Finance a detailed budget proposal for the current academic year.

Article VI: Budgets

- 6.1 The Vice President Finance shall prepare the budget of the Society after fully anticipating the financial needs of the Society, its committees, the Executive Committee, Departmental Associations, publications, and other groups normally funded by the Society.
- 6.2 The total expenditures of the Society in any year should not exceed its total revenues. A specific vote requiring 2/3 majority must be taken and passed at Council if a deficit is to be incurred in any year.
- 6.3 Departmental Associations annual budgets are due within 21 non-business days of the Vice President Finance handing out the allocations.
- 6.4 A detailed annual budget must be prepared and passed by Council no later than the 30th of October. A detailed budget includes a copy of each departmental budget, executive budgets, and committee budgets.
- 6.5 When presenting the annual budget to Council, the Vice President Finance must submit a summary of the expenditures from the previous academic year.
- 6.6 The general, annual budget of the Society, once approved by Council, shall be published no later than the 15th of November each year in a student publication, with publication preference being given to the *Arts Steps Magazine*.
- 6.7 A reserve fund shall be maintained by the Society for the future financial security of the Society. The reserve fund will consist of a minimum of 5% of the AUS base fee each semester. The reserve fund shall not be used without a specific vote of Council.
- 6.8 Executive spending, minus the Vice-President Internal Affairs’ budget, can consist of no more than 25% of the yearly operating budget without a specific vote of Council.

Article VII: Additional funds

- 7.1 A Special Projects fund shall receive a minimum of 5% of the Society’s operating budget. The Vice President Finance, FMC or the Executive Committee, and Council shall determine the use of this fund.
- 7.1.1 The Vice President Finance will actively solicit proposals for the Special Project fund through advertising in at least one student publication per semester and posters in prominent positions.
 - 7.1.2 The purpose of the Special Projects fund is for the Society to help finance events and projects that will directly benefit Arts students. There can be no limit on who may apply for Special Projects or how much they may apply for.
- 7.2 A Journal Fund shall receive a minimum of 10% of the Society’s budget. The Vice President Finance, FMC, and Council shall determine the use of this fund.

- 7.3 A Supplementary Departmental Fund shall receive a minimum of 2.5% of the Society's budget. The Vice President Finance, FMC, and Council shall determine the use of this fund.
- 7.4 The Supplementary Departmental fund shall be reserved solely for Departmental Associations who require additional funding in order to run an event. Preference should be given to smaller Departmental Associations and multiple departments that run events together.
- 7.5 The Vice President Finance may choose to cap the amount a Departmental Association may request from the Supplementary Departmental fund.

Article VIII: Paid Employees of the Society

- 8.1 No member of the Executive Committee may be paid for his or her work during the fall or winter semesters.
- 8.2 If less than half of the Executive Committee is in Montreal during the summer months and coordinating the activities of the Society, then they may receive a stipend that is equivalent to or less than the previous years' Frosh Coordinators stipend.
 - 8.2.1 This stipend shall be allocated by the outgoing Council. Before distribution of this stipend, the incoming Council must ratify it in September. The incoming Council may choose to lower, though not raise, the stipend.
- 8.3 The use of a stipend for non-executive committee members shall be limited and used only when it is absolutely necessary to the completion of the task. All stipend positions must be advertised for in prominent locations and permission must be received from the executive committee, before a stipend is considered.
- 8.4 Stipends may be offered for positions that are vital to the operation of the AUS, require special expertise, for positions where there is a heavy work burden, or for positions which no volunteers may be found.
- 8.5 Council must ratify the appointment of any person to a stipended position.

Article IX: Financial Management Committee

- 9.1 There shall be a Financial Management Committee made up of a minimum of 5 members of Council and the President. The Committee shall be chaired by the Vice President Finance. Quorum for the FMC shall consist of the VPF or President, as well as 3 members of Council.
 - 9.1.1 In the absence of the VPF, the President shall chair the FMC.
- 9.2 Each member of the FMC will receive one vote, excluding the chair. Decisions must be made with a simple majority. Any member who is from a department that is applying for funding can not vote on that specific issue, though he/she may sit in on the discussion regarding funding.
 - 9.2.1 The chair may break any tie vote of the FMC.
- 9.3 The FMC shall be responsible for allocating all funding requests specified in article 7 of these By-Laws. When possible, the FMC shall also approve the annual budget of the Society.
- 9.4 All decisions made by the FMC must be ratified by Council.
- 9.5 The Vice President Finance will be responsible, along with the rest of the Executive Committee, for insuring that these financial regulations are followed and held consistent with the Society's Constitution. In such cases where the Constitution or the By-laws are not being followed, it is FMC's responsibility to investigate and report to Council on the issue.

Article X: Internal Account

- 10.1 Each AUS departmental association, committee, and publication shall maintain an internal bank account with the AUS. No organization may have an external bank account unless authorized to do so by the Vice President Finance.
 - 10.1.1 Any organization that relies on AUS for a majority of its funding and that has an external bank account must submit a copy of their monthly bank statements, along with a detailed ledger, to the VPF.
 - 10.1.2 Any Departmental Association that is a joint association between AUS and another undergraduate society may have an external bank account with a minimum of two signing officers. These associations must still comply with 10.1.1.
- 10.2 All financial transactions by an organization are subject to approval of the VPF and Council.

- 10.3 All revenue received (cash and cheque) must be turned over to the Vice President Finance immediately, and all deposits must be accompanied with a detailed record of the source of the funds and any particular information relevant to record keeping. No internal entity may keep cash on hand for more than 2 business days.
- 10.4 All revenues must be adopted into the current account and no expense may be paid out of any revenues collected.
- 10.5 All organizations must submit a budget. Expenditures will only be allowed if they follow the course laid out in the budget. All budgets are subject to approval of the FMC and Council.
- 10.6 An organizations may only alter its budget with the approval of the Vice President Finance and FMC.
- 10.7 Any organization, other than departmental associations, will receive their funding at the discretion of the FMC and Council. To be eligible for funding, all organizations must comply with the Constitution, by-laws, and policies of the AUS Council. No funds will be issued to any group that has not made an application for funds by March 31st.
- 10.8 Fall semester funds must be claimed by November 30th and winter semester funds must be claimed by March 31st. No funds to organizations, can be distributed after these dates without prior approval of the Vice President Finance.
- 10.9 At the end of the academic year, 50% of each departmental associations remaining balance, including revenue received, shall revert to the next year's operating budget of the AUS.
- 10.10 The total expenditures of any organization may not exceed its total revenue.
- 10.11 Expenditures for alcohol may not exceed 35% of the budget of any Departmental Association with an annual budget of more than \$500.00.
- 10.12 All receipts, cheques, and ledgers will be maintained by the Vice President Finance only.

Article XI: Revenue

- 11.0 All revenue received by the Society must be adopted in total to the current account and no expense may be paid out of any revenue collected.

Article XII: Expenditures

- 12.1 No expenditure, except departmental expenditures, may be made unless it has been included into the Society's budget without authorization from Council.
- 12.2 During the summer months, the Executive and specifically the Vice President Finance are responsible for approving spending, in the absence of a budget. In September, Council must be informed of all summer spending.
- 12.3 Each expenditure of more than \$50.00 must be made by writing a cheque from the Society's bank account. No expenditure of any amount may be made unless proper receipts have been secured and kept on file.
- 12.4 Only with the specific approval of Council (or the Executive in the summer months) can money be paid out in cash of more than \$50.00. Proper receipts must still be kept on file.
- 12.5 The Society is not allowed to pay for anything through the use of online banking services, credit cards, or debits cards which they may have.
- 12.6 For amounts under \$50.00, payment may be made through the use of a petty cash fund. This fund shall never have more than \$500.00 at any one time and all transactions must be recorded and kept on file.

Article XIII: Bank Account

- 13.1 There shall exist one main account for the Society at a chartered financial institution approved by Council, along with one internal McGill Account. The signing officers of the account shall be the Vice President Finance and the President. In the event of an emergency, in which one of the above mentioned officers is not able to sign, the Vice President Internal may sign cheques.
- 13.1.1 The AUS may have investments or savings accounts that bear interest. The signing officers of these accounts shall be the President and Vice President of Finance.
- 13.2 All financial transactions of the Society must be made through the current account.
- 13.3 A copy of each month's bank statement(s) must be submitted to the FMC for review within fourteen days of receiving the statements.

- 13.3.1 If the FMC deems it necessary, the Vice President Finance must present the bank statement(s) to Council at the next possible meeting.

Article XIV: Financial Statements and Records

- 14.1 The previous year's financial statements shall be kept neatly in the AUS office and all such documents shall be made available to any member of the Society.
- 14.2 The Vice President Finance will maintain accurate and up-to-date ledgers of all expenditures and revenues, and present reports to the FMC and Council in September and January.
- 14.3 The Vice President Finance will ensure that there are detailed financial records completed for the year in which he/she served, up to and including May 1st. The incoming Vice President Finance shall insure that the financial records are stored in a coherent and suitable manner.
- 14.4 The Executive Committee shall appoint a bookkeeper who will be responsible for maintaining the books, and in conjunction with the Vice President Finance, and shall insure the finances of the Society are guarded. The name and contact information for the bookkeeper must be made available to Council by the end of September.
- 14.5 The Executive Committee shall appoint a certified public accountant to review the finances of the Society and ensure that taxes are filed properly.

Article XV: AUS Snax

- 15.1 The outgoing Executive Committee shall appoint a manager(s) of the AUS Snax for the next academic semester by April 15th
- 15.2 The manager(s) of AUS Snax shall be responsible for hiring all student employees, tracking and ordering inventory, and completing the financial documentation for the AUS Snax
- 15.3 The Vice President Finance shall assist the AUS Snax manager(s) in preparing all financial documents and making all financial decisions regarding AUS Snax.
- 15.4 The AUS Snax may have its own bank account with a Snax Manager, the Vice President Finance and President as signing authorities.
- 15.5 Any misappropriations of funds shall be brought to the FMC for them to recommend legal action to Council. Final decisions regarding legal action shall reside within the Council's hands.