

Financial Bylaws

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BACKGROUND

The Financial Bylaws govern the AUS's financial practices, including funding, bank accounts, and budget requirements.

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 committees, publications or any group whose majority funding comes from the Arts Undergraduate Society.
 - 1.2.1 All Departmental associations as defined in the AUS Departmental Bylaws must follow these bylaws.
- 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 AUS executive committee as defined in the AUS constitution.
- 1.7 The “Operating Budget” of the AUS shall refer to all revenue received from the AUS base fee (minus departmental allocations), endowment interest, 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 bylaws are to be used in conjunction with the Constitution and bylaws 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 at least 2 business days in advance. The Vice-President Finance may (at her discretion) require that the AUS member sign a confidentiality agreement.

Article IV: Accountability

- 4.1 The Financial Management Committee 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, FMC'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 An Organization's President and Vice-President Finance 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.
- 4.4 When the budget of the Society is approved by Council, it must be submitted by the VP Finance to the VP Communications and distributed to the membership in the first regular listserv to be published thereafter.
- 4.5 The Financial Management Committee Representative to Council will report on the bank reconciliations to Legislative Council and be responsible for making Council aware of any accounting discrepancies.
- 4.6 For the last Council meeting, the VP Finance must prepare and submit a report to AUS Council outlining the preparations for the Audit that have been made by the outgoing VP Finance.

Article V: Allocation of Funds

- 5.1 Departmental allocations will be distributed out of the base fee collected each fall and winter semester.
 - 5.1.1 One dollar and thirty-five cents (\$1.35) will be allocated to Departmental Associations per student registered in each of the majors, double majors, honours, and joint honours concentrations of a department or program
 - 5.1.2 Ninety cents (\$0.90) will be allocated to Department Associations per student registered in a minor or a double minor concentration of a department or program.
- 5.2 Funds not claimed in a manner consistent with 5.1 by Departmental Associations twenty-eight days after allocations are received shall be returned to General Revenues.

- 5.2.1 Departmental Associations which may be formed after the funds are returned into general revenue may apply for supplementary departmental funding but not their student fee allocation.
- 5.3 All departmental associations which primarily represent a discipline in the Faculty of Arts, and which represent a minimum of five (5) arts students, must receive a minimum of \$500.00 in student fees for the academic year.
- 5.4 The fee allocation to Departmental Associations shall be calculated for the entire academic year based on the enrollment numbers provided by the university in the fall.
- 5.5 To the best of their ability, the Departmental Association must provide the contact information of their Vice President Finance to the AUS as soon as possible so that allocations are delivered smoothly and efficiently.
- 5.6 Within 15 business days after the end of the add-drop period of the fall semester the Vice President Finance must inform the departmental associations of their student fee allocation.
- 5.7 No funds shall be issued to any departmental association until it has submitted the following to the Vice-President Finance and Vice-President Internal:
- i) the Constitution of the Departmental Association, if one is not already on file at the AUS office;
 - ii) the list of executive officers of the Departmental Association;
 - iii) a list of all journals published by the departmental association;
 - iv) a detailed budget proposal for the current fall and winter semesters using the form provided by the AUS Vice-President Finance .
- 5.8 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.
- 5.8.1 If an event is to be held before allocations are received, a detailed event budget will be considered in order to use the funds of the Departmental Associations.
- 5.9 Recipients of funding from the AUS are obligated to recognize and thank the AUS while promoting their services and activities
- 5.9.1 Recipients of FMC funding are obligated to recognize and thank the FMC and AUS on their services and activities
- 5.9.1.1 Any journal having received funding from the FMC "Journal Fund" should recognize and thank the FMC for allowing it to exist

5.9.2 Events promoted on social media should include a disclaimer thanking the AUS if there is room for such disclaimer to be made

5.9.3 Physical as well as digital banners (for social media) must have an AUS logo on them

Article VI: Joint Associations

6.1 Departmental Associations that are also considered part of another faculty society will be considered Joint Associations.

6.2 Joint Associations must abide by these bylaws with all of their monies, not just the AUS allocation.

6.3 Joint associations may have an external bank account as provided by the other faculty association so long as they comply with 11.1.1 and 11.1.2.

6.4 The detailed budget proposal must include all sources of revenue and expenditures.

6.5 A photocopy of the monthly bank statements and a list of cheques written that month must be submitted to the Vice President Finance of the AUS by the 15th of the next month.

6.6 If the AUS does not supply the majority of funding, allocation will only be given on a per capita basis with no minimum funding provided.

Article VII: Budgets

7.1 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.

7.2 A specific vote requiring 2/3 majority must be taken and passed at Council if a deficit is to be incurred in any year.

7.3 Departmental Associations annual budgets are due within 21 non-business days of the Vice President Finance handing out the allocations.

7.4 A detailed annual budget must be prepared and passed by Council no later than the 31st of October.

7.4.1 A detailed budget includes all revenues from student fees, interest income, revenues and expenses from programs and events run, Executive portfolios income and expenses, SNAX store sales and expenses, committee allocations and departmental allocations.

7.4.2 Departmental budgets must be approved separately by Council no later than the 25th of November. Council may approve departmental budgets together or individually.

7.5 When presenting the annual budget to Council, the Vice President Finance must submit a summary of the expenditures from the previous academic year and the Financial Statement prepared by a Chartered Accountant as specified in the MOA of the AUS.

7.5.1 When presenting the budget to council, the VP Finance and President must provide a written justification for all spending specifically for the executive. This includes, but is not limited to:

- i) Executive Clothing
- ii) Executive Retreat
- iii) Appliances for the AUS office
- iv) Tickets for AUS-Related Events

7.5.2 In addition to the annual budget, the executive summary of spending described in Article 7.5.1 shall be included on the website.

7.6 The general, annual budget of the Society, once approved by Council, shall be published no later than the 25th of November each year on the website of the AUS.

7.7 A minimum reserve fund shall be maintained by the Society for the future financial security of the Society.

7.7.1 A minimum reserve fund of one-hundred thirty-five thousand dollars (\$135,000) shall be maintained at all times by the society. Savings of the society constitute any GICs or cash reserves, in addition to and excluding this minimum reserve fund.

7.7.2 In the event of an emergency, in the opinion of the VP Finance and the President, the reserve fund will be accessible to alleviate financial difficulties of the Society, when approved by a 2/3 majority vote of Council.

7.7.3 In the event that Council, or the Executive Officers of the Society initiate a capital project for the benefit of the society with a projected cost over fifty thousand dollars (\$50,000) funded from the AUS Operating Budget, then such a project will require an approval by referendum of the membership, following the procedure outlined in the Electoral Bylaws.

7.8 Executive spending, minus the Vice-President Social's budget, can consist of no more than 25% of the yearly operating budget without a specific vote of Council.

Article VIII: Additional funds

8.1 A Special Projects fund shall receive a minimum of 5% of the Society's collected base fees. There can be no limit on who may apply for Special Projects or how much they may apply for, so long as internal entities are given priority.

8.1.2 The purpose of the Special Projects fund is for the Society to help finance events and projects that will directly benefit Arts students. The Vice President Finance, FMC or the Executive Committee, and Council shall determine the use of this fund by the second meeting of council.

8.2 A Journal Fund shall receive a minimum of 10% of the Society's collected base fees. Journals or any publications requesting use of this fund must meet the minimum standards outlined in the AUS Publishing Commission Bylaws

8.2.1 Vice President Finance, FMC, and Council shall determine the recipients of this funding, with internal entities to be given priority.

8.3 A Supplementary Departmental Fund shall receive a minimum of 10% of the Society's collected base fees. The Vice President Finance, FMC, and Council shall determine the use and size of this fund.

8.3.1 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.

8.4 The Vice President Finance may choose to cap the amount a Departmental Association may request from the Supplementary Departmental fund.

8.5 The Fine Arts Fund will be taken out of the Arts Undergraduate Improvement Fund in a manner consistent with the AUIF bylaws and it will be distributed by the Fine Arts Council in a manner consistent with the Fine Arts bylaws.

Article IX: Paid Employees of the Society

9.1 No member of the Executive Committee may be paid for their work during the summer, fall, and winter semesters. The only exception to this rule shall be for members of the AUS Executive Committee who are eligible for the McGill Work Study program as per the criteria set up by the office of Scholarships and Student Aid. Only administrators from the Scholarships and Student Aid office shall be qualified to determine whether an AUS Executive is eligible for Work Study.

9.1.1 AUS Executives who are Work Study eligible shall be paid at minimum wage for a maximum number of hours per week as determined by Work Study each year.

9.1.2 AUS Executives who are Work Study eligible shall be responsible for tracking their working hours and submitting payroll documents to the AUS VP Finance each week.

9.1.2.1 If the AUS VP Finance is Work Study Eligible, the AUS President must co-sign the VP Finance's payroll documents.

9.1.3 Work for which AUS Executives receive payment must take place in Montréal.

9.1.4 The AUS VP Finance shall be responsible for processing the payroll of AUS Executives who are in financial need. Payment for AUS Executives shall be made at first from the AUS operating budget. The AUS will be reimbursed up to ten dollars (\$10) per hour from funds from the AUS Work Study Program (AUS WSP) of the Arts Student Employment Fund (ASEF).

9.1.5 The AUS VP Finance shall be responsible for liaising with the McGill Work Study Program to ensure the appropriate reimbursement.

9.2 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.

9.3 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.

9.4 Council must ratify the appointment of any person to a stipended position.

Article X: Financial Management Committee

10.1 There shall be a Financial Management Committee made up of 4 members of Council or departmental VP Finances, 4 members-at-large and the President of the AUS.

10.1.1 The Committee shall be chaired by the Vice President Finance.

10.1.2 Quorum for the FMC shall consist of the VPF or President, as well as half of the FMC members.

- 10.1.3 In the absence of the Vice President Finance, the President shall chair the FMC.
- 10.1.4 The Vice-President Finance may appoint members to the FMC beyond the required eight members, and may delegate extra authority to one or more of these members, subject to the approval of AUS Council.
- 10.2 The Vice-President will advertise for members-at-large at the beginning of the year. The executive committee will review the applications and the members-at-large will be ratified by the second council meeting of the year.
- 10.3 The council members should be chosen through nomination and ratified by the second council meeting of the year.
- 10.4 Each member of the FMC will receive one vote, excluding the chair. Decisions will be made with a simple majority. Any member who is from a department that is applying for funding cannot vote on that specific issue, though he/she may sit in on the discussion regarding funding. Any other conflict of interest must be declared before voting.
- 10.4.1 Any tied vote will be broken by the chair of the FMC.
- 10.5 The FMC shall be responsible for allocating all funding requests specified in article 8 of these bylaws.
- 10.5.1 Applicants successful in receiving funding must publicly recognize the AUS for its monetary contribution.
- 10.6 The FMC shall also approve the annual budget of the Society as well as review all departmental association budgets.
- 10.7 All decisions made by the FMC must be reported to Council by the AUS Vice-President Finance at the first meeting following FMC's decision.
- 10.7.1 The decisions made by FMC shall be deemed to be approved by Council unless Council explicitly rejects them by majority vote.
- 10.8 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 bylaws are not being followed, it is FMC's responsibility to investigate and report to Council on the issue.

Article XI: Internal Account

11.1 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. As of the ratification of this amendment, no organization may open an external bank account.

11.1.1 Any organization that has an external bank account must submit a copy of their monthly bank statements, along with a detailed ledger, to the Vice-President Finance.

11.1.2 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 11.1.1.

11.1.3 External bank accounts shall have the AUS Vice President Finance as a signing officer.

11.1.4 Departmental associations with external bank accounts shall provide their online banking information to the Vice President Finance.

11.2 All financial transactions by an organization are subject to approval of the Vice President Finance and Council.

11.3 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.

11.3.1 No internal entity may keep cash on hand for more than 2 business days.

11.4 All revenues must be adopted into the current account and no expense may be paid out of any revenues collected.

11.5 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.

11.6 An organizations may only alter its budget with the approval of the Vice President Finance and FMC.

11.7 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, bylaws, and policies of the AUS Council. No funds will be issued to any group that has not made an application for funds by the last FMC meeting of the year.

- 11.7.1 Internal entities that fall under the Fine Arts Council must submit their budgets to the Fine Arts Council to be reviewed.
- 11.8 All funds must be claimed by March 31st.
- 11.9 No funds for organizations can be distributed after these dates without prior approval of the Vice President Finance.
- 11.10 The total expenditures of any organization may not exceed its total revenue.
- 11.11 Expenditures for alcohol may not exceed 50% of the budget of any Departmental Association with an annual budget of more than \$500.00.
- 11.12 All receipts, cheques, and ledgers will be maintained by the Vice President Finance only.

Article XII: Revenue

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

Article XIII: Expenditures

- 13.1 No expenditure, except departmental expenditures, may be made unless it has been included into the Society's budget without authorization from Council.
- 13.2 During the summer months, the Executive and specifically the Vice President Finance are responsible for drafting a summer budget and approving spending. In September, Council must be informed of all summer spending.
- 13.3 Each expenditure of more than \$50.00 must be made by writing a cheque from the Society's bank account.
- 13.3.1 No expenditure of any amount may be made unless proper receipts have been secured and kept on file.
- 13.3.2 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.
- 13.5 The Society is not permitted to make purchases through the Society's debit or credit card.

13.5.1 Use of the debit or credit card will be permitted for expenses where payments by cheque are not possible; these purchases must be approved by both the President, as well as the Vice-President Finance.

13.5.2 The Vice President Finance will keep a separate accounting journal for all purchases made through the debit or credit card, and report all transactions made to Council.

13.6 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 XIV: Bank Account

14.1 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, as well as any additional members of the Executive Committee that the Executive Committee deems appropriate.

14.1.1 The AUS may have investments or savings accounts that bear interest.

14.2 All financial transactions of the Society must be made through the current account.

14.2.1 The use of online registration and payment services are permitted.

14.2.2 Only the Vice President Finance and the President shall have access to the online registration and payments.

14.3 A copy of each month's bank statement(s) must be submitted to the FMC for review within thirty days of receiving the statements.

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

Article XV: Financial Statements and Records

15.1 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.

15.2 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, January and the last council meeting of the academic year.

15.3 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 ensure that the financial records are stored in a coherent and suitable manner.

15.4 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 ensure the finances of the Society are guarded.

15.4.1 Council shall ratify the appointment of the bookkeeper by the second council meeting.

15.5 The Executive Committee shall appoint a certified public accountant to review the finances of the Society and ensure that taxes are filed properly.

Article XVI: AUS Snax

16.1 The outgoing Executive Committee shall appoint a manager(s) of the AUS Snax for the next academic semester by April 15th.

16.2 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.

16.3 The Vice President Finance shall assist the AUS Snax manager(s) in preparing all financial documents and making all financial decisions regarding AUS Snax.

16.4 The AUS Snax may have its own bank account with a Snax Manager, the Vice President Finance and President as signing officers.

16.5 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 with the Council.