

# Financial Policy

Oversight Body: Budget and Finance Committee

Date Passed by Council: December 7, 2023

Date of Next Review: March 2022

Related Policies, Bylaws, Legislation: Bylaw 5, 6, 7, Society Policy

## Definitions:

**Direct Levy:** A levy passed by the Membership in a referendum with a restricted purpose.

**Fiscal Year:** The period beginning on April 1 of a given calendar year and ending on March 31 of the following calendar year.

**Officer:** An executive officer of the Union

**Signing Officer:** An Executive or designated full-time staff member vested with the authority to sign official documents or orders, particularly in respect to payments, purchases, and contracts.

**Society Membership Fee:** A fee paid by Members of a specific faculty, collected by the Union and then remitted to the appropriate society.

**Union:** The Dalhousie Student Union

## Scope:

The following terms apply to all individuals in the Union having access to funds but particularly to Executive Officers and staff overseeing fiscal management.

## Purpose:

This policy ensures the proper stewardship of Union funds by providing guidelines for the transparent, legal, and effective management of said funds.

## Statement:

### 1. Signing Authority and Guidelines

1.1 The signing officers of the Union are

1.1.1 Vice-President, Finance and Operations;

1.1.2 President;

1.1.3 Vice-President, Internal; and

1.1.4 Full-time staff designate selected by the Officers.

1.2 A signing officer will be considered absent if:

1.2.1 The signing officer travels outside the Halifax area for a period of greater than one (1) business day;

1.2.2 The signing officer is away from work for reason of vacation leave, sick leave, or any other leave of absence for a period of greater than one (1) business day;

1.2.3 The signing officer communicates to the Vice-President, Finance and Operations, in writing, that they will be absent as a signing officer and specifies the length of the absence; or

1.2.4 The signing officer becomes unable to sign due to death, medical reasons or other reasons not specified in this provision.

1.3 In the event that a signing officer is absent, responsibility for signing shall lie with the remaining signing officers.

1.4 Signing officers shall have the authority to extend signing authority to other Officers or full time staff on temporary bases in the event of a prolonged absence or other operational need, where appropriate. Such designations and their durations shall be stated in writing to the Vice President, Finance and Operations, and may include restrictions on which types of documents may be signed or other relevant guidelines at the determination of the Vice President, Finance and Operations. Designations made under this provision are not to exceed one (1) year.

1.5 In the absence of the Vice President, Finance and Operations, their unique duties and responsibilities as laid out in this policy shall fall to either the President or the Vice President, Internal.

## 2. Authorization

2.1 Every cheque must bear the signature of two signing officers.

2.2 All cheques must be signed by the Vice-President, Finance and Operations with the exception of cheques made out to the Vice-President, Finance and Operations. In the absence of the Vice President, Finance and Operations, all cheques must be signed by either the President or the Vice President, Internal

2.3 Signing officers shall not sign any cheque made out to their own personal accounts, accounts of their subsidiaries or properties, or any cheque made out to a Union credit card for the reimbursement of purchases made by said signing officer.

2.4 All purchases over \$1000 require a purchase order.

2.5 Purchase orders for amounts between \$1000 and \$5000 shall be requested, in writing, by the appropriate department head and then authorized by the Vice-President, Finance and Operations. Or General Manager.

2.6 Purchase orders for amounts between \$500 and \$10 000 shall be approved by The Board Of Operations.

2.7 Purchase orders for amounts over \$10,000 shall be approved by Council.

2.8 Any purchase falling outside of predetermined budget allocations shall be authorized in writing by the appropriate body.

2.8.1 For purchases under , \$5000 authorization shall be provided by the Vice President, Finance and Operations.

2.8.2 For purchases between \$~~5000~~ and \$10 000.00, authorization shall be provided by The Board of Operations.

2.8.3 For purchases above \$10 000.00, authorization may only be provided by an ordinary resolution passed by Council.

### 3. Petty Cash

3.1 The Union shall maintain one petty cash fund with the following regulations:

3.1.1 Up to, and no more than, \$ \$1000 to be held in The Petty Cash Fund. This fund shall be controlled by the Grawood Bar Manager, who shall have discretion over its use.

3.2 The Bar Manager shall keep detailed record of all spending from the Petty Cash Funds.

#### 4. Budget

4.1 Budget templates shall be circulated to department heads a minimum of two (2) months prior to the Council meeting at which the budget is to be debated, and must be completed and returned to the controller within two (2) weeks.

4.2 The Controller will gather submitted departmental budgets into one operating budget for the Board of Operations to review.

4.3 The Vice-President, Finance and Operations must submit a budget to Council before the beginning of each fiscal year.

4.4 The Board of Operations must have the opportunity to provide feedback on the proposed budget before the Vice-President, Finance and Operations submits the budget to Council.

4.5 The Vice-President, Finance and Operations must ensure the budget is submitted to members of Council a minimum of two (2) weeks before it is debated.

#### 5. General Financial Management

5.1 Every cheque request or request for reimbursement must be accompanied by a corresponding receipt, contract or invoice for the same amount.

5.2 The Union will have a cheque run at least every two (2) weeks during regular operations. The cheque run schedule may be altered to accommodate university closures, holidays, or other exceptional circumstances. The Controller shall oversee the scheduling of cheque runs.

5.3 The Board of Operations shall recommend an independent external

auditor for a term of up to five (5) years to Council.

5.4 Council shall appoint an independent external auditor for a term of up to five (5) years before March 30 of the final year of the current auditor's term.

5.5 The Vice-President, Finance and Operations must publish the audited financial statements online before October 31, of each year.

5.6 The Board of Operations may review the Union's month-end statements and may, at its discretion, review copies of any individual cheques or transactions.

5.7 The Union does not refund student fees under any circumstances unless the error is committed by the University, which they acknowledge in writing to the Vice-President, Finance and Operations. In such a case, only fees not appropriated to external groups will be returned.

5.8 To ensure the accuracy of staff record keeping the Vice-President, Finance and Operations may perform a monthly review of balance sheet figures to ensure that these figures agree with the supporting sub ledgers or detail listings. Any unusual items are to be discussed with staff and if they are not rectified must be reported to the Budget and Finance Committee.

5.9 The Board of Operations shall be empowered to investigate violations of the Financial Policy. Infractions with serious impacts shall be reported to Council.

5.10 The Controller will schedule ~~Quarterly~~ Quarterly meetings with each department head for a review of the previous month's expenses and revenues.

5.10.1 Any overages for that month will require an authorizing signature from the controller, General manager, or Executive Officer with accompanying explanation.

5.11 The Controller will schedule at least ~~Quarterly~~ Quarterly meeting with the Vice-President, Finance and Operations, to review departmental financials.

## 6. Contracts

6.1 Three Signing Officers' signatures are required when entering into or renewing a contractual agreement.

6.2 If the Signing Officers cannot reach a consensus decision on a particular

contract, the decision to enter into or to renew the contract shall be put before council as an ordinary resolution accompanied by a report from the Budget and Finance Committee.

6.3 Any project, including ongoing services, undertaken by the Union must be detailed in a contract between the Union and supplier.

6.4 Any contract with a value over \$10,000 is required to have:

6.4.1 A minimum of three bids;

6.4.2 A recorded ordinary resolution of the Board of Operations indicating which contract was successful and an accompanying statement on the reasoning for such a determination.

6.5 Any contract with a value over \$50,000 is required to have:

6.5.1 A minimum of three bids;

6.5.2 A recorded ordinary resolution of Council indicating which contract was successful and an accompanying statement on the reasoning for such a determination.

6.6 The Union shall not enter into a contract for a period longer than five years. This provision may be superseded by a special resolution passed by Council.

6.6.1 Contracts may include renewal terms for an additional period not to exceed the length of the original contract.

## 7. University Restricted Account

7.1 All transactions involving the university account must be copied in writing to the VP (Finance and Operations) and accompanied by the appropriate paperwork.

7.2 Any expenditure involving the university restricted account that is for an amount over \$10,000 and is not a part of regular operations must be approved by Council

7.3 The Vice-President, Finance and Operations shall sign off on the Controller's monthly reconciliation of the University Restricted Account.

## 8. Investments

8.1 The Union may from time to time make investments for the sole purpose of the

long- term growth and viability of the Union when the balance in the investment cash account so permits, in accordance with existing policies and bylaws.

8.2 All new investments shall be subject to an internal approval process requiring the signatures of three (3) signing officers.

8.3 The Board of operations shall review the Union's portfolio quarterly, and shall report any significant loss or profit activity in the investment fund to Council and the Budget and Finance Committee.

8.4 The Officers are prohibited from direct trading in individual stocks and other holdings.

## 9. Credit Cards

9.1 The Union will have three (3) corporate credit cards associated with the operating fund. Two (2) of these cards shall be designated for general use and shall have balances not to exceed \$5000.00. One (1) card shall be designated for use of purchasing liquor and food bank items and shall have a balance not too exceed \$15 000.00.

9.2 All credit cards will be held by the Controller, who will track and document their use.

9.3 Under no circumstances will personal purchases be made on the corporate credit cards. All transactions are limited to business related activities

9.3.1 Violations of this provision will be assessed by the Vice President, Finance and Operations, and may result in the loss of the ability to use union-owned credit cards at the discretion of the Vice-President, Finance and Operations.

9.3.2 The B Board of Operations shall have the authority to reinstate card use privileges.

9.4 All purchases made with a Union credit card require a receipt. All appropriate paperwork including the receipt must be properly coded and submitted to the accounting department within five (5) business days of purchase. If receipts are not received within this time then the purchase will be added to the staff or executive officer's accounts receivable. If the purchase is made outside of the Halifax Regional Municipality the receipts must be submitted within five (5) days of the staff or executive officer's return to the Halifax Regional Municipality.

## 10. Pay Advances

10.1 The Union will not issue pay advances to any full-time or part-time staff.

10.2 Members of the Executive may only receive a pay advance during their first month in office.

10.3 Executive pay advances shall not exceed \$500.00 and will only be issued upon receipt of a post-dated cheque for the same amount dated the first date of pay.

## 11. Reimbursement for Expenses Incurred

11.1 Any employee or representative of the Union acting on behalf of the Union at a conference or on external business is entitled to a daily per-diem. The per diem is to be used to defray the costs of meals and incidentals.

11.1.1 Upon return, the employee or representative of the Union will provide the Controller with all receipts and an expense report for which the per-diem advance was used. Any remainder unaccounted for will be returned to the Union, and the employee or representative with the outstanding balance shall be ineligible for per diems until such time as said funds are returned.

11.1.2 The per diem rate is \$15.00 for breakfast, \$15.00 for lunch, \$25.00 for dinner, and \$15.00 for incidentals. If any meals are provided by the conference or another outside body, the per-diem will be reduced based on the aforementioned figures.

11.1.3 Per diem funds may not be used for the purchase of alcohol, drugs, tobacco, or any illegal goods or substances.

11.2 While using their own vehicle for Union business, an employee or representative is entitled to a reimbursement of \$ 0.68 per kilometer up to the first 5,000 km, after which the rate will be \$0.62 per kilometer.

11.2.1 An employee or representative of the Union must demonstrate the use of their own vehicle was necessary and pre-approved by their supervisor for the purposes of claiming a reimbursement.

11.3 The per diem and kilometre reimbursement rates shall be reviewed and revised on an annual basis to ensure that rates reflect changes in the market conditions.

11.4 Reimbursements, not including mileage, must be accompanied by corresponding receipts. Receipts must be submitted to the Controller within five (5) business days of the claimant returning to the Halifax Regional Municipality. Failure to submit receipts for reimbursements within 30 days of purchase, will result in zero compensation.



## 12. Event Specific Cash Floats

- 12.1 Cash floats must be authorized by the Financial Controller
- 12.2 Cash floats will only be made available to Union, or Union-sponsored, events.
- 12.3 Cash floats must be signed out in writing from the Controller.
- 12.4 Two (2) days notice is required to request a cash float for an event.
- 12.5 The person requesting and receiving the float is responsible for the safety and the return of all monies to the Controller
- 12.6 It is not the responsibility of the Controller to replace stolen monies or refill shortages but that of the person who signed the funds out.

## 13. Full-Time Salary Adjustment (Non-Unionized)

Increases for full time non unionized staff will align with the annual increases provided for in the applicable collective agreement for full time staff.

- 13.1 Any Full-time Staff salary increase in excess of the ranges defined above or bonus must be approved by the Executive Officers.

## 14. Honoraria and Benefits

- 14.1 All honoraria amounts will be accounted for in the annual budget.
- 14.2 For the ~~2023-24~~ fiscal year, executives of the Union shall each receive \$39,196.61 as honoraria, paid out in twelve (12) equal monthly instalments. If the term is not completed, remaining instalments are forfeited.
  - 14.2.1 Executive honoraria shall be adjusted annually by the Consumer Price Index (CPI) as determined by Statistics Canada for the Halifax Regional Municipality for the most recent calendar year using 2023-24 as a base year. If the CPI is negative, the honoraria shall remain the same.
- 14.3 All approved honoraria amounts must be outlined in a written agreement between the Union and the person receiving the honorarium, including members

of the Executive.

14.3.1 The date the individual can expect to receive their honorarium must be noted in the contract.

14.4 Each Executive Officer shall be entitled to be reimbursed for the cost of a Dalhousie parking pass or monthly municipal bus pass up to the equivalent cost of a Dalhousie parking pass.

## 15. Direct Levies

15.1 When a direct levy is enacted by a referendum, the purpose and spirit of the levy may not change without another referendum.

15.2 The Vice-President, Finance and Operations shall review all levies annually with the Executive Committee and make recommendations to Council on whether or not a levy should be sent back to referendum.

## 16. Societies Receiving Direct Levies

16.1 The Union shall issue the direct levy or society membership fees in instalments as received by Dalhousie University and in accordance with Society Policy requirements.

16.1.1 In the case of direct levies, the first instalment will be issued on or before December 15, and the second instalment on or before April 15, of each fiscal year.

16.2 All societies collecting a direct levy or society membership fee must submit their financial records to the Vice-President, Finance and Operations at regular intervals as laid out below. Such records include but are not limited to: receipts, ledger, cancelled cheques, and bank statements. The Vice-President, Finance and Operations or their designate will then audit the accounts of every society receiving a direct levy or society membership fee before issuing the instalment cheque.

16.2.1 At the outset of the fiscal year the Vice President, Finance and Operations shall set and announce the guidelines for the submission of financial records.

16.2.1.1 Societies collecting a direct levy shall submit records in the fall and winter semesters, while societies collecting society membership fees shall submit records in the fall, winter, and summer semesters.

16.2.1 The Vice President, Finance and Operations shall complete society audits within thirty (30) days of the submission of financial records, providing records

are submitted before the deadlines outlined above.

16.2.2 No society is entitled to the release of any portion of its levy funds or society membership fees, or any benefits associated with said release, until such time as its society audit has been approved by the Vice President, Finance and Operations.

16.3 If there are any significant accounting discrepancies with a society, the problem shall be brought to the attention of Council and the funds for the term related to the failed audit shall be withheld from said society.

## 17. Donations

17.1 If revenue from donations to the Food Bank Fund led to a surplus in that fund for a given fiscal year, all surplus monies will be carried over as revenue for the Food Bank Fund for the following fiscal year.