



Financial Policy

Policy owner: Vice President Operations and Finance

Audience: Members

Approved: Board of Directors (Meeting, April 6, 2021)

Last Reviewed: October 20, 2020

Review Schedule: July, 2023

1. Introduction

This policy exists in order to ensure the financial affairs of the Students' Union are conducted in a responsible, accountable and effective manner. This document is the basis of operating procedures for financial affairs relating to the URSU.

2. Definitions

Disbursement – any sum of money that is being paid-out or transferred, internally or externally, by the Students' Union by way of physical cheque or electronic means.

Preliminary Operating Budget – the budget, developed and approved by the outgoing Board of Directors, that guides the financial decisions of the Students' Union until the Finalized Operating Budget is passed.

Finalized Operating Budget – the budget, developed and approved by the new Board of Directors that guides the Students' Union until the end of the Fiscal Year.

3. Policy

3.1 Signing authority

There shall be three primary signing authorities for the Students' Union of the University of Regina Inc. They shall be the President, Vice-President Operations and Finance and the General Manager of the Students' Union. The Accounting Manager shall also be a secondary signing authority with limited authority.

- Signing authorities cannot sign any financial disbursements to themselves or a closely associated person (as laid out in URSU's Conflict of Interest and Conflict of Commitment policy)



- The President **and/or** the Vice President Operations and Finance **and/or** the General Manager must sign any financial disbursement of the Union.
- The Accounting Manager may sign/authorize disbursements in the event that any two of the primary signing authorities are not available to fulfill their obligations within a prudent amount of time **with the consent of the Executive Committee.**
- Where a particular situation or emergency calls for it, the Board of Directors may appoint a member of the Board or an URSU staff member as an alternate temporary signing authority.

3.2 Responsibilities of Signing Authorities

The signing authorities of the Union shall not commit the Students' Union to any material contract, covenant, financial disbursement, Collective Bargaining Agreement, or any contract or agreement, where there is material or financial consideration without a majority consent from the Board of Directors, with the following exception(s);

- Sponsorship contracts, Employment contracts and service agreements require only majority consent from the Executive Committee

3.3 Limitations of Signing Authorities

Signing authorities of URSU may only sign for disbursements when proper approval has been given. Different levels of approval are required for different disbursements.

Unbudgeted expenditures or budgeted expenditures that relate to the Exec & BOD or PAC pages of the budget shall follow these guidelines for approval;

- Disbursements of up to \$2000 may be approved by a motion of the Executive Committee
 - Disbursements of over \$2000 must be approved by a motion of the Board of Directors
- Budgeted expenditures from the Capital Improvement Fund or from all other Operations line items (ie: line items not included in the Exec & BOD or PAC pages) shall be considered approved once the Budget has been approved by the Board of Directors.

3.4 Operating Budget

The fiscal year of the Students' Union of the University of Regina Inc. shall begin on May the 1st of every year and end on April 30th of the following year.

Before the end of the fiscal year the outgoing Board of Directors shall pass a preliminary Operating Budget covering all financial aspects concerning the Students' Union before turn- over on May 1. This budget shall be in effect until a Finalized Operating Budget is approved by the new Board of Directors no later than June 30th of each fiscal year.



Upon approval of the Preliminary or Finalized Operating Budget of the Students' Union by the Board of Directors, all items presented in the budget shall be deemed approved and authority to expend in accordance with this policy and as per the budget presented is granted.

3.5 Mid-year Budget Management

When managing the budget throughout the year the Executive Committee shall respect the following guidelines.

1. Any decision to make unbudgeted expenditures requires the approval of the Executive Committee and a report to the Board of Directors
2. Requests to make unbudgeted expenditures shall be brought to the attention of either the General Manager of the Students' Union ~~or~~ **and** to the Vice-President Operations and Finance (respecting organizational chain of command)
3. The Vice-President Operations and Finance shall present the request to the Executive Committee (or other relevant sub-committee) for their consideration. A majority vote shall authorize the expenditure

a. Any item of the above nature that is in excess of \$2000.00 requires the approval of the Board of Directors as per the Limitations of Signing Authorities section of this policy

Upon ratification of the Operating Budget, the Vice-President Operations and Finance is authorized to disburse grants or funds as necessary, in accordance with the regularly accepted practices of the Students' Union and its' policies.

3.6 Budget Recording & Reporting Norms

The Vice-President Operations and Finance shall work with the Accounting department to provide monthly summaries of Budget vs. Actuals to the board of Directors. In particular, this report should emphasize emerging trends and significant variances from budget.

Budgeted expenditures that do not require the approval of the board (ie: from lines other than Exec & BoD, or PAC), that are in excess of \$10,000 shall be reported to the Board of Directors by the Vice President Operations and Finance at the next Board meeting with the following exceptions.

- Operations Costs (paid to the University for retail spaces)
- Insurance
- Payroll

Responsibility for ensuring the accuracy of these expenditures has been delegated to the General Manager & Accounting Department.

3.7 Standard Budgeting Practice



The Operating Budget of the Students' Union of the University of Regina Inc. shall normally reflect a 1% surplus of budgeted non flow-through revenue which may be applied to any cost overruns incurred during the fiscal year.

3.8 Roles and Responsibilities

3.8.1 VP Operations and Finance

Operations and Finance shall;

Act as a responsible fiduciary member of the organization

Ensure compliance with this policy throughout the year

Develop the budget in collaboration with the Accounting Manager, the General Manager and the Finance and Audit Committee

- Present the budget to the Board of Directors for approval
- Maintain up to date knowledge of budget actuals throughout the year
- Act as a reference point for questions of budget knowledge

3.8.2 - Executive Committee

The Executive Committee shall;

- Act as responsible fiduciary members of the organization
- Assist the VP Operations and Finance in carrying out their duties
- Maintain knowledge of budget actuals that impact their portfolio
- Make decisions regarding expenditures of up to \$2000 in executive committee meetings and report those decisions to the Board of Directors

3.8.3 - General Manager

The General Manager shall;

- Assist the VP Operations and Finance in developing the budget
- Provide expertise and institutional memory on budget related questions
- Research or seek out expert advice when providing answers to budget-related questions

3.8.4 - Board of Directors

The Board of Directors shall;

Act as responsible and loyal fiduciary members of the organization



Make final decisions regarding financial disbursements

Be the final decision-making body on appeals regarding financial disbursement decisions made by the Executive Committee

Review the financial decisions of the Executive Committee

4. Consequences for Noncompliance

All Executive Committee members and Board of Directors members are required to respect and acknowledge their fiduciary duty to the organization at all times (including disclosing conflicts of interest as they occur; see the policy on Conflict of Interest and Conflict of Commitment).

Failure to make financial decisions that are in the best interests of the corporation can have serious consequences for URSU including poor financial performance and overall organizational failure.

Failure to respect the policy and process laid out here could also lead to a lack of financial transparency that would be damaging to the reputation of URSU and could lead to a loss of confidence among its members and the greater community.

5. Process

5.1 Budget Development Process

The Preliminary and Finalized Operating budgets of the Students' Union shall be developed using the following process.

1. The Operating Budget shall be subject to review and revision upon the recommendation of the Vice-President Operations and Finance
2. Upon review of the above, the Vice-President Operations and Finance shall present the draft Operating Budget to the Finance and Audit Committee for their recommendations
3. The Vice-President Operations and Finance shall then present the Finalized Operating Budget to the Board of Directors, typically two weeks before it is approved
4. The Finalized Operating Budget of the Students' Union shall be passed and ratified no later than June the 30th of the fiscal year.

Upon approval of the Preliminary or Finalized Operating Budget of the Students' Union by the Board of Directors, all items presented in the budget shall be deemed approved and authority to expend in accordance with this policy and as per the budget presented is granted.

6. Related Information

Conflict of Interest and Conflict of Commitment policy; URSU Constitution;