CODE CHANGES 2019:  
CONTINGENCY FUND

TO: Council  
FROM: Finance Committee  
March 2019

Amendment to create a Contingency Fund out of which to pay for emergency expenditures.

Additions are indicated by **bold italics**. Deletions are indicated by striking through (like this).

SECTION IX B. FISCAL PROCEDURES

Article 4. Contingency, Deficits and Surpluses

1. The five percent (5%) margin established by Bylaw 11(1)(a) shall be known as the Contingency and shall be equivalent to five percent (5%) of the discretionary revenues of the Society.

2. The discretionary revenues of the Society shall be calculated according to the following formula:

   (a) the total revenue from all Society fees levied upon Active Members;

   (b) less non-discretionary charges which have been included in the Society’s fees by referendum (e.g., the Capital Projects Fund);

   (c) less the required allocations to reserve funds specified in the Bylaws (e.g., SUB Art Fund);

   (d) plus the net contribution that is expected from all business and administrative operations of the Society.

3. The Contingency shall be deposited in a Contingency Fund and used in accordance with the rules for that fund as specified in Article 6(7)(m).

3. The Contingency shall only be used to cover an unforeseen deficit the Society has during the year. It shall not be allocated by Council for any other purpose.

4. If an unforeseen deficit occurs that is larger than the Contingency can cover, the Finance
Committee shall recommend to Council how to cover it.

5- 4. If there is an unforeseen surplus, it shall be deposited in the AMS Endowment Fund.

Article 6. Funds

1. The following are the funds of the Society as established by referendum, by Bylaw 11(2), or, pursuant to Bylaw 11(2)(a)(vii), by this provision of the Code:

   (c) Funds established pursuant to Bylaw 11(2)(a)(vii) by this provision of the Code:

   (i) Resource Group Event Fund;
   (ii) Health Plan Assistance Fund;
   (iii) Grad Class Fund;
   (iv) Student Initiatives Fund;
   (v) Sexual Assault Initiatives Fund;
   (vi) SUB Renewal Fund;
   (vii) SUB Renewal Subsidy Fund;
   (viii) Election Reserve Fund;
   (ix) Impact Grant Fund;
   (x) Constituency Aid Fund;
   (xi) Clubs Benefit Fund; and
   (xii) Competitive Athletics Fund; and
   (xiii) Contingency Fund.

7. Funds Established by this Section of Code

   (m) The Contingency Fund:

   (i) The Contingency Fund shall be administered by Council on the recommendation of the Finance Committee.

   (ii) The Fund may be used to cover the cost of unforeseen emergency Society expenditures submitted by Society departments or committees or other Society groups.

   (iii) Before applying to the Contingency Fund, applicants must consult with the Finance Committee, the Vice-President Finance, and the Managing Director, who shall ensure that there is no other available funding before bringing an application to the Contingency Fund.

   (iv) Applications to the Contingency Fund must be for amounts greater than or equal to $5,000.
(v) There may be no more than one application for a given project or situation in any fiscal year.

(vi) At no time may the amount in the Contingency Fund fall below five percent (5%) of the Contingency as determined in accordance with Article 4 above.

(vii) If the Society is or is likely to go into deficit for a given year, then no expenditures may be made from the Contingency Fund that year.