

CODE CHANGES 2019: BUDGET PROCESS

TO: Council
FROM: Finance Committee
January 2019

Amendment to modify the process for preparing the AMS budget and to modify the system of quarterly financial reports.

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

SECTION IX, B. FISCAL PROCEDURES

Article 8. Budget

1. Council shall, ***by Two-thirds (2/3) Resolution***, approve a preliminary budget for the Society no later than ~~May 31~~ ***April 30*** in each fiscal year for the following fiscal year.
2. Pursuant to Bylaw 11, Council shall, ***by Two-thirds (2/3) Resolution***, approve a final, detailed budget no later than June 30 in each fiscal year for that fiscal year.
3. Both the preliminary and the final budget shall include the budget projections adopted by Council the previous year, the ***most up-to-date*** actual expenditures and revenues ***available to date*** for the last three (3) fiscal years, variances, and the next fiscal year's budget projections for all the Society's operations, including but not limited to the business operations.
4. Both the preliminary and the final budget shall include a statement of the amount of money in each Fund of the Society, along with a note stating that the amount of money allocated from each Fund shall not exceed the amount of money in the Fund.
5. The final budget shall provide a detailed breakdown of revenues and expenditures within each department of the Society, a department in this context meaning an individual student service, business, staff department or position, executive member, and so forth.
6. The preliminary budget shall provide figures for the overall revenues and expenditures of each major division of the Society, the major divisions in this context meaning the business and administrative operations as a whole, all the departments within student government taken collectively, the Student Services as a whole, the Student Resource Groups, and so forth.
7. The detailed notes to each section of the budget shall be considered part of the budget.

8. Approval by Council of the final, detailed budget or any amendment thereto shall be deemed to be authorization for the organization or person responsible for each department mentioned in the final budget to manage the monies allocated to that department. Expenditures shall not deviate from those contained in the budget, unless an amendment has been submitted to the Vice-President Finance, and has been approved by both the Finance Committee and Council in accordance with Bylaw 11(1)(f).
9. Before the final, detailed budget is approved, normal expenditures (such as expenditures on salaries and office supplies) shall be permitted for each department in accordance with the final, detailed budget for the previous fiscal year. Exceptional expenditures (such as for capital projects or special events) may be authorized at the discretion of the Vice-President Finance provided that such an expenditure:
 - (a) is consistent with the preliminary budget;
 - (b) would not put a division into a deficit position; and
 - (c) does not exceed twenty-five percent (25%) of the previous year's budgeted expenditures for the department.

10. Detailed Budget Process

- (a) ***During January and February each year, each department head shall complete a zero-based budget for the minimum amount of funding needed to keep their department functioning, this minimum amount to include any multi-year additional funding approved in previous years and any other additional funding required by Code, Bylaws, or Policies.***
- (b) ***The zero-based budget referred to in paragraph (a) above shall include a report breaking down and justifying the numbers in the zero-based budget and must be approved by the Finance Committee by the end of February.***
- (c) ***Department heads may submit proposals to the Finance Committee for additional funding for new projects for their departments as long as these proposals are received in time to be approved in March.***
- (d) ***If the proposals for additional funding are for a one-year project, there will be a half-year review of them. If they are for multiple years, there will be an annual review.***
- (e) ***The proposals for additional funding shall include measures of success for the projects. These measures shall be used by the Finance Committee in the half-year and annual reviews. At its discretion, the Finance Committee may decide, as the result of a review, to recommend to Council that it end or reduce funding for a project. This will require a budget amendment in accordance with Bylaw 11(1)(e)***
- (f) ***In April of each year, the Finance Committee shall finalize the***

preliminary budget and recommend it to Council so that Council may approve it by April 30 in accordance with paragraph 1 above.

- (g) ***In May and June of each year, the newly elected Executives may propose additional changes to their preliminary budgets to the Finance Committee, which shall then bring a finalized budget to Council so that Council may approve it by June 30 in accordance with Bylaw 11 and paragraph 2 above.***

SECTION V: COMMITTEES OF COUNCIL

Article 10. Finance Committee

3. Without limiting the generality of paragraph 2 above, the Finance Committee shall:
- (a) approve and prepare the preliminary and final budgets for the Society, in accordance with Section IX B;
 - ...
 - (g) submit reports to Council in ***June***, August, November, and February, in accordance with the following provisions:
 - (i) the reports shall be compiled by the Vice-President Finance and the Managing Director and approved by the Committee before going to Council;
 - (ii) the reports shall state the Society's actual expenditures, which shall include line item spending actuals by department to date;
 - (iii) the reports shall state the Society's business contributions by business outlet;
 - (iv) the ~~August~~ ***June*** and November reports shall **aim to** include **all** financial reports from Society or University groups receiving dedicated student fees, ~~the August report to cover November to April and be submitted to the Finance Committee at least one week before the last Council meeting in August, and the November report to cover May to October and be submitted to the Finance Committee at least one week before the last Council meeting in November;~~
 - (v) the February report shall include a reforecast of the Society's budget;
 - ~~(h) submit a report to the Annual General Meeting in accordance with the provisions of paragraph (g) above;~~
 - (i) ***conduct an annual review of all existing fees and funds, such a review to***

take place between November 1 and January 31, with a report on the review's findings to be submitted to Council by the first Council meeting in February;

SECTION IX, B. FISCAL PROCEDURES

Article 3. Budget Procedures for Subsidiary Organizations and Student Resource Groups

9. Subsidiary Organizations **and Resource Groups** receiving dedicated student fees shall **submit financial reports to the Finance Committee twice per fiscal year, one in ~~May~~ March and one in October.** ~~prepare financial reports twice per fiscal year, one to cover May to October and to be submitted to the Finance Committee at least one week before the last Council meeting in November, and one to cover November to April and to be submitted to the Finance Committee at least one week before the last Council meeting in August.~~
10. The financial reports from each of the Subsidiary Organizations **and Resource Groups** referred to in paragraph 9 above shall be compiled and combined into one report by the Vice-President Finance and shall be included in the general financial quarterly reports made by the Finance Committee to Council **in June and November.**

SECTION XI: STUDENT RESOURCE GROUPS

Article 3. Financing and Communication

...

4. The Resource Groups through their treasurers and the RGAC shall **submit financial reports to the Finance Committee twice per fiscal year, one in ~~May~~ March and one in October.** ~~prepare financial reports twice per fiscal year, one to cover May to October and to be submitted to the Finance Committee at least one week before the last Council meeting in November, and one to cover November to April and to be submitted to the Finance Committee at least one week before the last Council meeting in August.~~
5. The financial reports from each of the Resource Groups shall be compiled and combined into one report by the Vice-President Finance and shall be included in the general financial reports made by the Finance Committee to Council **in June and November.**