

SUBJECT	Funds and Grants Code changes
MEETING DATE	September 16th. 2020
MOTION	BE IT RESOLVED THAT the proposed code changes for the Clubs Benefit Fund are adopted as presented
PREPARED BY	Lucia Liang, VP Finance
DOCUMENTS	1. Attachment #1

DESCRIPTION & RATIONALE

This code change is intended to increase the usage of the Clubs Benefit Fund and reduce financial barriers. As per the current code, clubs have to upfront initial start-up costs before getting reimbursed by the AMS after going through a lengthy application and approval process. If a student wants the AMS to pay the vendor directly it is very slow process. As a result, the student will still upfront the cost anyway. Another benefit that students will receive from this code change is that new clubs will get a starter pack of money to start their club. This money is indented to upfront some of the initial cost any club will incur and given the fact that a new club often struggles with gathering new members, this change will increase their chance of success. The new clubs will be able to have some money to do marketing, create a website, and buy equipment if needed. Lastly, this code change will benefit students who are traveling. As per the current code, students will be not able to get their travel covered. However, for many events, food and travel are often the highest costs to a student. If the fund cannot cover travel, it restrains the type of applications the AMS is getting for this fund. For background context, this travel ban was due to fluctuating plane ticket travel costs.

<p>BENEFITS Reputational, Financial, Sustainable, Social</p>	<p>It will benefit both students and the AMS, as students do not have to upfront costs out of pocket and wait for approval of the final report before getting money. Having to ask a student to pay money out of pocket before getting the money fundamentally defeats the purpose of a fund to support a club that is financially struggling. This change will also make it easier for the one 15-hour AMS staff to manage applications, as they will have less reimbursement requests from clubs to handle and more capacity to carry out work on other funds.</p>
<p>RISKS Financial, Operational, Reputational</p>	<p>The risk of this code change would be club executives embezzling. However, the chance of any embezzlement taking place is very small, as any purchase leaving an AMS club needs to be approved by the treasurer of the club. If the treasurer is purchasing something, they need the signatures of 3 other club executives. Moreover, any purchase greater than \$300 needs to be signed by 2 AMS executives. The AMS also does an audit every year to ensure student funding is safe.</p>
<p>COSTS Financial, Resources, Lifecycle</p>	<p>No costs, as this is a code change. Currently the fund is underspent every year.</p>
<p>TIMELINE Implementation Timeline</p>	<p>Effective immediately. New clubs that were approved in the 1st cycle of this fiscal year will receive retroactive funding.</p>
<p>CONSULTATION Internal & External Groups</p>	<p>Finance Committee (currently on the committee there are 2 past AUS VPFs, VP Finance, Funds and Grants Administrator of 2 years, AVP Finance and past SUS VPF).</p>

**CODE CHANGES 2020:
CLUBS BENEFIT FUND**

TO: Council
FROM: Finance Committee
September 2020

Amendment to modify the procedures for the Clubs Benefit Fund.

Additions are indicated by ***bold italics***. Deletions are indicated by crossing out (like this).

SECTION IX B: FISCAL PROCEDURES

Article 6. Funds

7. Funds Established by this Section of Code

(k) **The Clubs Benefit Fund** shall be administered by the Finance Committee in accordance with the referendum of March 2011 and the following provisions:

(i) The purpose of this Fund shall be:

1) to assist Clubs in completing special projects related to their area of interest, such projects to include but not be limited to special Club events, activities, and programs;

2) to enable Clubs to purchase furnishings and equipment, including furniture, rugs and mats, file cabinets, bulletin boards, computers, printers and audio-visual equipment;

3) to fund initiatives that assist or benefit clubs as approved by the Finance Committee. ;

4) to support newly constituted Clubs, for which purpose up to a maximum of \$500 per club may be given to new Clubs in addition to the regular amount available to any Club, so long as the money allocated for this purpose does not exceed twenty percent (20%) of the fund.

(ii) In order to receive monies from this Fund, organizations must be designated as Clubs in accordance with Bylaw 13(3).

- (iii) A Club wishing to receive monies from this Fund shall submit a request to the Vice-President Finance, who shall make a recommendation to the Finance Committee based on the availability of funds.
- (iv) Clubs receiving funding from the Campus Culture and Performance Fund may not apply to the Clubs Benefit Fund in any given year unless they have already spent their allotment from the Campus Culture and Performance Fund for that year.
- (v) Money may only be granted to Clubs for special projects in accordance with the following provisions:
 - 1) the project must benefit the Club as a whole;
 - 2) no more than one special project shall be funded for each Club in any one fiscal year;
 - 3) the special project shall be non-recurring in nature; ongoing or year-to-year projects shall not be considered for funding;
 - 4) special multi-instance events or programs may be funded as long as they are contained within one fiscal year;
 - 5) specifically excluded from funding as special projects are executive retreats, travel expenses **exceeding \$500**, yearbooks, repairs and maintenance to facilities and equipment, and any project which occurs on a year-to-year basis and should be included in a Club's operating budget;
 - 6) upon the request of the Finance Committee, Clubs must provide evidence that they have exhausted all other possible sources of revenue before applying to this Fund; and
 - 7) Clubs may not receive funding from both the Clubs Benefit Fund and **any other student levy** the Campus Culture and Performance Fund for the same project; and
 - 8) the maximum amount granted shall not exceed \$2,000 per Club in any given fiscal year **except for newly constituted clubs, which may receive up to \$2,500.**; and
 - 9) grants from the Fund shall cover no more than seventy-five percent (75%) of the cost of a project.

If a special project is approved, money for the project shall be transferred to the Club's account upon approval. After the project is completed, all expenditures must be declared and submitted in a final report to the Vice-President Finance for verification. If any financial inconsistencies or discrepancies become apparent, the Finance Committee

may withdraw all funding and recover any remaining funding as necessary from the offending club's account at any time

(vi)

(vi) If a special project is approved, money for the project shall be transferred to a Club's account only after the project is completed and a list of expenses has been submitted to the Vice-President Finance for verification.

(vii) Money may only be granted to Clubs for purchasing furnishings and equipment in accordance with the following provisions:

1) the furnishings and equipment purchased shall be owned by the Society for the use of the Club; and

2) the type of furnishings and equipment purchased shall be directly related to the Club's area of interest as stated in its constitution.

(viii) When approving grants from this Fund, the Finance Committee may impose such conditions or restrictions as it sees fit, provided however that such conditions or restrictions are consistent with this section of Code.