
Type:	Financial	Created:	June 1999
Adopted by:	Board of Directors	Last Amended:	February 2012
Executive Responsibility:	Director of Internal Relations	Procedure:	

STATEMENT:

The Bylaws identify that the Board is responsible for the Students' Union's financial management and planning, and that the Board must prepare an annual budget. This policy shall articulate the process and principles by which the budget is created and updated to aid in responsible financial management.

1. Budgeting Preparation, Adoption and Revision

The Executive Director and Director of Internal Relations shall present a draft annual budget to the Budget and Operations Committee by no later than May 31. The Committee shall review the draft budget, make any amendments deemed advisable, and recommend adoption of the budget to the Board of Directors by no later than June 30. The Board shall adopt the annual budget by no later than July 15 of each year.

By January 15 of each year, the Executive Director and Director of Internal Relations shall present to the Budget and Operations Committee a report on the revenues and expenses of the Students' Union as at November 30 of each year. The report shall include a draft revision of the annual budget to reflect changes and projected variance to the original annual budget adopted by the Board. The Committee will review the revised budget and report, make any amendments deemed advisable, and recommend adoption of the revised budget to the Board of Directors by no later than February 15. The Board shall adopt the revised budget by no later than February 28 of each year.

2. Unbudgeted Amounts and Variance

Should a budget expense line exceed the budgeted amount by the great of 5% or \$5,000, the Board must approve the associated budget variance. Any unbudgeted items in excess of \$250 must be presented to the Board for approval.

3. Budget Components, Allocations and Format

To aid in accountability and readability, the Board of Directors will construct the budget in

a standardized and codified manner with sufficient detail to allow for appropriate financial analysis.

3.1 Revenue Items

Each budget shall contain the following standard revenue items, which shall each have an attached schedule:

- Membership Fees
- Consignment and Office Service

Each budget shall contain the following standard revenue items, which need not have an attached schedule:

- Amortization of deferred lease contributions
- Contract Revenue
- Event Revenue
- Interest and Miscellaneous
- Pub Operation Revenue
- Rent

3.2 Expense Items

Each budget shall contain the following standard expense items, which shall each have an attached schedule:

- Advocacy, Campaigns and Government Relations Expenses
- Board, Elections and Meetings Expenses
- Building, Office and Administrative Expenses
- Campus Life and Event Expenses
- Communications and Membership Development Expenses
- Consignment and Office Services Expenses
- Donations and Non-Recurring Items
- Pub Operation Expenses
- Student and Academic Services Expenses

Each budget shall contain the following standard expense items, which need not have an attached schedule:

- Amortization of Capital Assets
- Amortization of Prepaid Lease
- Auditing Expenses
- Bank and Credit Card Charges
- Miscellaneous Expenses
- Professional Fees

3.3 Wages and Benefits

Wages and benefit expenses shall be reflected in the budget based on staff function to best allocate the cost of staffing to reflect work performed. Costs related to Student Staff shall be allocated to the Consignment and Office Services Expense schedule. Lounge Operation staff shall be allocated to the Pub Operation Expense schedule. Costs associated with Office and Administrative staff shall be totaled and divided by five to reflect the number of permanent positions. The resulting five full-time equivalent (FTE) figures shall be allocated as follows:

- Advocacy, Campaigns and Government Relations Expenses: 1.0 FTE
- Building, Office and Administrative Expenses: 1.0 FTE
- Campus Life and Events: 0.75 FTE
- Club Resourcing: 0.25 FTE
- Communications and Membership Development: 0.40 FTE
- Elections and Referenda: 0.10 FTE
- Health and Dental Plan Administration: 0.50 FTE
- Consignment and Office Services: 0.75 FTE
- Student and Academic Services: 0.25 FTE

3.4 Board Stipends

Base Board Stipends shall be allocated in a line item within the Board, Elections and Meetings Expenses schedule. Expenses relating to Executive Portfolio Stipends shall be divided equally between the following four budget areas:

- Advocacy, Campaigns and Government Relations Expenses
- Building, Office and Administrative Expenses
- Campus Life and Events
- Student and Academic Services Expenses

Advocacy Portfolio stipends shall be allocated to expense line items relating to each position respectively and shall be placed within the Advocacy, Campaigns and Government Relations Expense schedule.

3.5 Club Fund

Each annual budget shall include an appended Club Fund budget for the corresponding fiscal year.

3.5 Budget Format

Each budget line item shall not be less than \$500 in value.

4. Contingency

Three percent (3%) of total projected membership fee revenue shall be allocated to a contingency line item to be used in cases of unexpected expenses or lower than expected revenue. Any unused funds in this line item at year-end will be considered an unbudgeted surplus.

4. Pub Operation Expenses

Other than the following, all direct expenses of the Pub Operation shall be allocated to the Pub Operations Expense schedule:

- Entertainment Expenses;
- Office supplies and expenses;
- Capital costs and amortization;
- Janitorial and Building Maintenance; and,
- Utilities

5. Capitalization

Capital assets will be amortized on a straight-line basis over the following useful lives:

- Property/Building 50 years
- Computers, Software and Telephones 3 years
- Office and Pub Equipment 5 years
- Furniture 10 years

One full year's amortization shall be recorded in the year of purchase. Capital assets with a value of less than \$750 shall be recorded as expenses as in the year of their purchase.

END OF DOCUMENT