

University of British Columbia

Electrical and Computer Engineering

Graduate Student Association

Financial Policy

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Definitions

In this document:

- "UBC" shall refer to the University of British Columbia;
- "ECEGSA" shall refer to the Electrical and Computer Engineering Graduate Student Association of UBC;
- "ECE" shall refer to Electrical and Computer Engineering;
- "this policy" shall refer to this document;
- "the membership" shall refer to all registered graduate students in ECE at UBC;
- "the Executive" shall refer to the Executive members of the ECEGSA;
- "the department" shall refer to the ECE department at UBC;
- "the Treasurer" and the "primary administrator" shall refer to the Treasurer of the ECEGSA;
- "the President" shall refer to the President of the ECEGSA;
- "the Secretary" shall refer to the Secretary of the ECEGSA;
- "the auxiliary administrators" shall refer to the President and the Secretary;
- "the administrators" are the Treasurer, the President, and the Secretary;
- "the account" shall refer to the bank account of the ECEGSA;
- "the financial year" shall refer to the year starting May 1 and ending April 30, or thereabouts;
- "petty cash" shall refer to cash held by the Treasurer to reimbursement claims of small value;

Introduction

This document is the official financial policy of the ECEGSA. This policy is to be adhered to for all financial matters, and should be extended if it is found to have insufficient detail.

This policy has been drafted with the following goals:

1. Maintain financial transparency of ECEGSA transactions for the membership, the Executive, and the department, thereby also maintaining transparency in the ECEGSA's activities and operations.
2. Assign explicit roles in control of funds with sufficient checks and balances.
3. Ensure all purchases for the ECEGSA are appropriate and consented.
4. Allow flexibility and timeliness when reimbursing funds to the individuals requiring them.
5. Allow financial auditing by the department.

Achieving these goals is essential in allowing the ECEGSA to be funded for its activities by the department while maintaining the support of the membership.

This policy is organized as follows. Article I describes the overall structure of financial administration within the ECEGSA. Article II describes the reporting requirements to the Executive, the membership, and the department. Article III details the procedures for bank account transactions. Article IV and Article V describe the implementation and use of petty cash and float, respectively. Article VI outlines policy maintenance.

Accompanying this policy should be samples of the following documents: Reimbursement claim form, deposit form, and acknowledgment agreement.

Article I - Financial Structure

1. The Treasurer shall be the primary administrator of the ECEGSA's finances. The auxiliary administrators shall be the President and the Secretary.
2. The ECEGSA shall maintain the account under the name "ECEGSA" at the University Marketplace branch of the Bank of Montreal, located at 2142 Western Parkway, Vancouver, BC. The branch's phone number is 604 665-7076. The administrators shall have signing authority on the account, however (any) two of their signatures shall be required in order to withdraw funds from the account.
3. The ECEGSA shall maintain a Paypal non-profit account with the user ID ecegsa@ece.ubc.ca. The account password shall be known only to the administrators.
4. As primary administrator, the Treasurer shall be the sole holder of the account deposit book, the account cheque book, and the petty cash (as described in Article IV). This role cannot be transferred to the auxiliary administrators, unless the Treasurer will be absent from the UBC Vancouver campus for a period less than the maximum as stated in the Constitution. In this exception case, a temporary transfer can be made to one of the auxiliary administrators under written agreement of all three administrators, and this transfer can only be for the duration of the Treasurer's absence.
5. The Treasurer shall be primarily responsible for the reporting requirements of Article II, however he/she may enlist the assistance of the auxiliary administrators.

Article II - Documentation and Reporting Requirements

Generally, the Treasurer shall:

1. Keep recorded documentation of the account balance, all transactions to/from the account, and petty cash.

2. Organize transactions by event or by category, as deemed sufficient, to be aware of the total revenue and expenditure associated with all segments of the ECEGSA's operations.
3. Document transactions chronologically by year ending April 30, in the order in which they were processed, such that the following are known and are consistent:
 - a. The bank balance at the start of the financial year (May 1 or thereabouts).
 - b. All money added to and removed from the account with appropriate documentation.
 - c. The bank balance at the end of the financial year (April 30 or thereabouts).
4. Document pre-approvals for transactions separate from the transactions themselves, but still chronologically.

The Executive

With regards to the Executive, the Treasurer shall:

1. Oversee the approval of the annual budget in coordination with the department.
2. Comment on the overall state of finances regularly.
3. Provide a report at least once per academic semester. The report shall contain an itemized listing of all recorded transactions that occurred since the previous report, and an update on the year-to-date expenditures versus those estimated in the ECEGSA budget. This can be sufficiently completed with two spreadsheets: one chronological list of every transaction (useful for the department requirements) and one table showing the category estimates and actuals.

The Department

With regards to the department, the Treasurer shall:

1. Oversee the approval of the annual budget in coordination with the Executive.
2. Provide a year-end report to the department's Director of Operations with:
 - a. Proof of the financial year's opening balance.
 - b. Itemized list of all processed transactions, including from the bank account and from petty cash.
 - c. Hard copy originals of all processed transactions with the original receipts. In the event that original receipts were required by a third party for reimbursement to the ECEGSA, copies of the receipts with all other appropriately authorized documentation are acceptable.
 - d. Proof of the financial year's closing balance.
 - e. Overall expenditures versus those estimated for each budget category.

The Membership

With regards to the membership, the Treasurer shall:

1. Release the budget.
2. Provide a year-end overview of expenditures versus those estimated for each budget category.
3. Provide any other financial disclosure as requested by any member, given that the request is reasonable and does not require undue effort.

Article III - Bank Transaction Procedure

There are two types of bank transactions. Deposits require no approval but must still be documented (and categorized where applicable) as part of the itemized list of transactions. Withdrawals require much more scrutiny.

Section III.i Withdrawals

1. Products or services may be purchased for the ECEGSA by any of its members including the Executive. Members shall receive written pre-approval on spending from the Executive, ideally during a meeting of the Executive, but the pre-approval is not official until the Treasurer confirms it. The pre-approval shall be made in consideration of the budget and current spending estimates. If the Treasurer is not present when the pre-approval is made, he/she shall be informed of the pre-approval by another Executive member. The Treasurer has the authority to deny pre-approvals that were knowingly made without the consent of a simple majority of the Executive, or a simple majority of the Executive members that attended the meeting where the pre-approval was made.
2. Pre-approvals shall be made official via assignment of a pre-approval number by the Treasurer, who shall be responsible for maintaining all pre-approvals and the numbered pre-approval list. This list shall include the category for which each pre-approval is made and the associated claims, once they are processed. A pre-approval shall be closed by simple majority of the Executive once the Treasurer expects to receive no future associated claims, thereby allowing remaining funds to be re-allocated for other purposes.
3. Once an expense(s) is(are) incurred, the buyer, and only the buyer, shall collect the original itemized receipt(s) with proof of payment and fill out an ECEGSA reimbursement claim. If a standard receipt is not available for an expense, for example for a good purchased from a private seller, then there shall be signed confirmation of the expense from the seller that provides their phone number and email for future reference.
4. Exceptions with respect to receipts:
 - i. If a standard receipt is not available for an expense, for example for a good purchased from a private seller, then there shall be signed confirmation of the expense from the seller that provides their phone number and email for future reference. The same shall apply to cash or similar payments made to individuals (e.g., for gift cards given to volunteers).
 - ii. Restaurant receipts shall include the names of those whose meals were paid for by the buyer (e.g., written on the back).
 - iii. Pre-approvals for car usage shall be made in consideration of the expected travelling distance. Original receipts shall not be required - instead, the driver shall record their initial and final odometer readings and claim the difference at a rate per kilometer that is consistent with the UBC Travel policy (see www.travel.ubc.ca for the current rate). Reasonable effort shall be made for the driver to obtain sufficient accident insurance in the event that the ECEGSA be liable for a deductible. If the driver must rent or otherwise acquire a vehicle (e.g., via a car co-op), the pre-approval may be greater than the per kilometer rate in order to cover expected costs, and original receipts shall be required. Furthermore, if a vehicle was acquired for longer than the expected period, then the driver shall include with the claim

evidence showing that the acquisition for the longer period was cheaper than for the expected one.

5. A claim shall only be made in Canadian dollars. Any other currency shall be explicitly noted on the form, for example "USD" for United States Dollars. The buyer shall provide the equivalent Canadian dollar value using the end-of-day exchange value on the date of the incurred expense(s).
6. The reimbursement claim form shall require that receipts be numbered and attached to the form in the order in which they are listed on the form. The buyer shall note the pre-approval number, if he/she knows it, or at least the reason for which the expense(s) was(were) incurred. If the buyer is not an Executive member, he/she shall include their phone number, email, and office location to ensure timely reimbursement.
7. The buyer shall sign and date the reimbursement form to agree that it is the only time that the expenses are being claimed, that the expenses were legitimately incurred for the operations of the ECEGSA, and that their claim is subject to approval of the Treasurer.
8. The buyer shall submit their completed and signed form to the Treasurer.
9. The Treasurer shall process a reimbursement claim by assigning it a claim number. He/she shall confirm the pre-approval number and update the pre-approval list appropriately. Multiple claims can be associated with the same pre-approval, and multiple pre-approvals can be associated with the same claim. If necessary, the Treasurer shall confirm currency conversions. If the claim is valid, the Treasurer shall sign and date the form authorizing reimbursement and shall also obtain the signature of one of the auxiliary administrators. Once both administrator signatures are received, the claim is fully authorized, and the Treasurer shall issue a cheque to the buyer that is appropriately signed by any two administrators. A single cheque may be issued for multiple authorized claims by the same claimant. In the event that either the Treasurer or one of the auxiliary administrators is the claimant, reasonable effort shall be made for signatures authorizing reimbursement to not be signed by the claimant.
10. All cheques shall be issued in Canadian dollars.
11. The Treasurer shall be responsible for passing the cheque to the claimant. Reasonable effort shall be made to do this in person, and this role may be passed to one of the other two administrators. If, after reasonable effort, the claimant cannot be reached, the cheque shall be held by the Treasurer and the onus shall be on the claimant to obtain it. The claimant shall not have his/her claim returned, but may make a request to the Treasurer for a copy if they wish. Upon receiving his/her cheque, the claimant shall sign a receipt acknowledging payment.
12. The Treasurer shall file the processed claim with original receipts according to the claim number and update the transaction log accordingly with the claim number, cheque number, pre-approval number, and relevant categories. The corresponding funds shall be considered withdrawn from the account immediately, even before the cheque is cashed. The treasurer shall also file the payment acknowledgement. Once the cheque is cashed, the date shall be noted in the transaction log.

Section III.ii Deposits

1. Deposits shall require an accompanying deposit form with the items to deposit (cash and/or cheques). The deposit form shall include the original float (if applicable), details confirming the number of transactions (cash and/or cheques received), and the new total. The values on the form shall be confirmed by any two of the administrators, who shall then sign the form.

2. The deposit form and items to deposit shall be received and processed by the Treasurer, who shall log a regular transaction.
3. The Treasurer shall complete an entry in the bank account deposit book which any of the administrators can bring to the bank with the items to deposit.
4. Deposits that are made electronically (e.g., transfers from Paypal) shall still be logged as transactions. The details of a Paypal payment shall be printed and treated as a deposit form, though no signatures are required.

Article IV - Petty Cash Procedure

Petty cash permits the Treasurer to reimburse funds for small amounts without having to write a cheque. There is no change to how a claimant obtains approval for an expense nor in how he/she submits his/her claim form.

1. Use of petty cash shall be at the discretion of the Treasurer, but shall not be for reimbursing claims whose total value is greater than \$50 CAD.
2. Withdrawal of petty cash from the account by the Treasurer shall require written pre-approval from the Executive and a signature from one of the auxiliary administrators. This pre-approval shall be assigned a pre-approval number as normal. The initial withdrawal shall be of no more than \$200 CAD, and shall be logged as a normal transaction with a reimbursement claim.
3. The Treasurer shall be the sole holder of petty cash, except in the absence case described in Article I.
4. When the Treasurer decides to process a claim with petty cash, the claim shall not be assigned a regular claim number, but shall be assigned a petty cash claim number prefixed with P and logged separately from regular claims. Total expenditure across budget categories shall therefore include the numbers from both petty cash and regular claims.
5. When the amount of petty cash under the Treasurer's oversight drops below \$50, the Treasurer shall seek pre-approval from Executive to top-up petty cash and signature from one of the auxiliary administrators. The withdrawal shall be no bigger than that required for the petty cash to total \$200 CAD. The Treasurer shall present the petty cash log to the Executive to show the use of petty cash since the previous withdrawal. As with the original withdrawal, the pre-approval and the transaction are logged as all other transactions, except the claim must now have attached to it all claims that were reimbursed with petty cash since the previous withdrawal.

Article V - Revenue Collection Procedure

The primary methods for collecting revenue are by invoicing outside parties and by using a float for specific ECEGSA events.

Section V.i - Invoice Procedure

1. A party that owes payment to the ECEGSA (e.g., for event tickets), including companies, individuals, and the department, shall be issued an itemized invoice that shall be prepared by the Treasurer and sent to the owing party via email. Payment shall be expected within two weeks of the date on which the invoice is sent.
2. Payment shall be expected in the form of cash or cheque. If the owing party wishes to make an electronic payment, an additional invoice shall be prepared by the

Treasurer and sent via Paypal. The ECEGSA may include a processing fee for Paypal payments, no more than the expected transaction fees to be charged by Paypal to collect the payment and transfer the funds to the ECEGSA bank account.

3. All payments shall be deposited and documented in accordance with the deposit procedure in Section III.ii.
4. Upon confirmation of payment, a receipt shall prepared by the Treasurer and issued to the owing party.

Section V.ii - Float Cash Procedure

1. Events that require a float shall have a withdrawal from the account pre-approved in writing by the Executive and treated as a regular claim but without receipts. The amount of the float shall be agreed upon by the Executive.
2. A float shall be for a single event and must be kept separate from petty cash in a different container.
3. Responsibility of the float shall be assigned by the Executive to someone within the ECEGSA membership.
4. A ticketing system or similar form of record-keeping shall be used at the event to track the number of cash transactions.
5. After the event, the cash held shall be confirmed to be equal to the original float plus the value of the recorded cash transactions. It shall be the responsibility of the individual in charge of the float to ensure that this is the case, otherwise he/she shall be held accountable.
6. The float is returned using the deposit procedure in Section III.ii.

Article VI - Vendor Expense Procedure

1. The ECEGSA may pay a vendor directly for certain products or services. Such a transaction shall be treated as a claim by the vendor, using an invoice in lieu of a receipt. There shall still be an associated pre-approval by the Executive, and if the invoice is valid, the Treasurer shall sign and date the form authorizing payment and shall also obtain the signature of one of the auxiliary administrators.
2. Proof of payment from the vendor shall be filed with the authorization for the payment.

Article VII - Asset Acquisitions

1. The ECEGSA shall maintain a record of all non-perishable items obtained for ongoing use that have a value or purchase price greater than \$50. The Treasurer shall hold the record.

Article VIII - Policy Maintenance

It is expected that elections for the ECEGSA would typically be held sometime late in the winter term. The transition would therefore be around the end of the financial year and when a new budget should be in discussion between the Executive and the department.

Steps for policy maintenance allow new Executives to confirm with the department that they are aware of and will adhere to this policy.

1. At the beginning of the financial year all of the Executive shall sign an acknowledgment agreement with the department Head and Director of Operations.
2. The agreement shall refer to this policy, particularly the most recent date of revision.
3. The department Director of Operations shall keep the original signed agreement and the Executive shall keep a copy.
4. Any changes to this policy shall be agreed to by the Executive and made in consultation with the department Head and Director of Operations.