



POLICY 6.01

FINANCIAL MANAGEMENT

General Financial Management

POLICY INTENT

To provide guidelines for the maintenance of AUSU financial documents and ensure the responsible management and tracking of budgeted and unbudgeted expenditures.

POLICY RESPONSIBILITY

Finance Committee

POLICY

- 6.01.01 The AUSU financial information and supporting documents shall be maintained on a computer located in the central office using computerized accounting software as selected by the executive director.
- 6.01.02 The AUSU financial statements (budget, balance sheet, income statement, periodic variance report) are accessible to the public, and will be made available as arranged by the VPFA.
- 6.01.03 The fiscal year of AUSU is from October 1 to September 30.
- 6.01.04 The VPFA shall ensure regular financial reporting and the development of the annual budget as per Policy 4.06 Annual Timeline and Executive Workplans.

Corporate Credit Card

- 6.01.05 The executive committee may designate one or more executive councillors or staff to hold an AUSU credit card for the purposes of AUSU related expenditures if a valid need can be shown by the individual, as determined by the executive committee.
- 6.01.06 Holders of the corporate credit card are responsible for documenting all purchases on the card, for providing receipts for all purchases to the executive director in a timely manner, and for ensuring that all purchases are budgeted for or approved.

Cheque Signing Authority

- 6.01.07 AUSU cheques, electronic fund transfers to third parties, or investment account withdrawals require two signatures or secure authorizations, and the following individuals

may have this authority as arranged through the bank and investment account manager and determined by executive committee:

- a) President;
- b) Vice President External and Student Affairs;
- c) Vice President Finance and Administration;
- d) executive director; and
- e) One other senior staff person.

6.01.08 There must be a minimum of three persons with signing authority for the AUSU accounts at any given time, with authorizations made whenever possible by one staff member and one executive councillor, preferably the VPFA.

Pricing and Sales of Merchandise

6.01.09 Pricing on AUSU merchandise and services shall be set by the executive director subject to amendment by Finance Committee.

6.01.10 Payment in advance shall be obtained for all AUSU goods and services whenever possible and always when selling to persons or companies who have outstanding debts to AUSU.

Debt Collection

6.01.11 AUSU will charge an annual penalty of 24% on outstanding balances. This charge is a penalty for default, applied monthly. The executive director may choose to waive these charges with approval from the VPFA.

6.01.12 The appropriate staff member shall send a reminder notice detailing the penalty on outstanding balances when a payment is 30 days and 60 days overdue. A copy of these notices shall be included in scheduled reports to the Finance Committee and VPFA.

6.01.13 After an account is 90 days overdue, Finance Committee shall determine if it is more cost-effective to seek the services of a collection agency or write off the debt, and whether a resolution should be put forward to council to cease transactions with the individual or organization with the overdue account.

Audits

6.01.14 A financial audit must be performed at least annually as required by the Post-Secondary Learning Act of Alberta. The audit shall be performed by an independent accounting firm appointed each year by a motion at a public council meeting.

Appeals

6.01.15 Any decision made under these financial policies may be appealed to council, to be decided by council resolution. Council's decision is final.

RELATED REFERENCES, POLICIES, PROCEDURES AND FORMS

This Policy References

None

This Policy is Referenced by

None

Forms

None

POLICY HISTORY

Original Approval Date: November 13, 2006

Last Review Date: October 11, 2018

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