



POLICY 6.01

FINANCIAL MANAGEMENT

General Financial Management

POLICY INTENT

To provide guidelines for the responsible maintenance, management, and tracking of AUSU finances and financial documents.

POLICY RESPONSIBILITY

Finance Committee

POLICY

- 6.01.01 The AUSU financial information and supporting documents shall be maintained in a cloud-based environment, aided by the use of online accounting software, as recommended by the executive director.
- 6.01.02 The executive committee shall ensure that the monthly AUSU balance sheet, comparable income statement, and annual budget are accessible to student members on the AUSU website.
- 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 and/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 have prior approval .

Signing Authority

- 6.01.07 As per AUSU bylaws, all approved contracts, cheques, electronic fund transfers, or investment account transfers require two signatures or secure authorizations, one of which must be the VPFA or President (or authorized signing delegate). The following individuals may have signing authority as determined by the executive committee:
- a) President;
 - b) Vice President External and Student Affairs;
 - c) Vice President Finance and Administration;
 - d) Vice President Community and Wellness;
 - e) Executive Director; and/or
 - f) 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 or the President.
- 6.01.09 The Executive Director is responsible for updating the signing authorities for the bank and investment account.

Pricing and Sales of Merchandise

- 6.01.10 Pricing on AUSU merchandise and services shall be set by the executive director subject to review and recommendations by the finance committee.
- 6.01.11 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

- 6.01.12 AUSU will charge a monthly fee of 2% on overdue outstanding balances. The executive director may choose to waive these charges with approval from the VPFA.
- 6.01.13 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.
- 6.01.14 After an account is 90 days overdue, the 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

- 6.01.15 A financial audit must be performed 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.

- 6.01.16 The executive committee shall ensure that the annual audit takes place after the fiscal year-end, as per policy 4.06 Annual Timelines and Executive Workplans.
- 6.01.17 As per Bylaw Article 12.03, council shall approve each fiscal year’s audited financial statements before the conclusion of the ensuing fiscal year.

Appeals

- 6.01.18 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

- AUSU Policy 4.06 Annual Timeline and Work Plans
- AUSU Policy 6.06 Financial Management – Oversight
- AUSU Policy 6.07 Financial Management – Reserves and Investments
- AUSU Bylaws

This Policy is Referenced by

None

Documents and Forms

- Annual Operating Budget
- AUSU Internally Restricted Reserves Tracking Spreadsheet

POLICY HISTORY

- Original Approval Date: November 13, 2006
- Last Review Date: April 2021
- Review by Date: November 2022