Internal Regulations of Finance

Updated as of 2026-XX-XX

AÉUM SSMU

Association étudiante de l'Université McGill
Students' Society of McGill University

Située sur les territoires traditionnels des collectivités Haudenosaunee et Anishinaabe.
Located on Haudenosaunee and Anishinaabe, traditional territories.

(514) 398-6800 | ssmu.ca | 3501 rue Peel, Montréal, QC, H3A 1W7

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1. Interpretation

1. The Internal Regulations of Finance shall apply to:
    a. All financial activities of the Society; and
    b. all financial activities of Student Groups which fall under the Society's financial jurisdiction.

2. Definitions

1. The following terms used in the Internal Regulations of the Finance Portfolio shall have the same definitions as those given to the same terms used in the Constitution.
    a. "Board of Directors"
    b. "Executive Committee"
    c. "Internal Regulation"
    d. "Legislative Council"
    e. "Member"
    f. "Officer"
    g. "Simple Majority"
    h. "Society"

2. The following terms used in the Internal Regulations of the Finance Portfolio shall have the same definitions as those given to the same terms used in the Internal Regulations of Student Groups:
    a. "Affiliated Student Association"
    ~~b. "Ancillary Fee"~~
    c. "Club"
    ~~d. "Course Fee"~~
    e. "Day"
    f. "Fee"
    g. "Independent Student Group"
    h. "Service"
    i. "Student Association"
    j. "Inactive"

3. In the Internal Regulations of the Finance Portfolio, unless otherwise indicated:
    a. "**Applicant**" shall mean an individual or a group submitting a Funding Application;

b. "**Ancillary Fee**" shall mean a Fee levied by the University to Members, including those mandated by the Ministère de l'Enseignement supérieur and those implemented through referendum;
c. "**Base Fee**" shall mean the non-opt-outable Membership Fee the Society collects every year;
~~d. "**Capital Asset**" shall generally refer to any asset of the Society that is expected to provide benefits for more than one (1) year, including but not limited to leasehold improvements and equipment;~~
~~e. "**Capital Expenditure**" shall generally refer to the purchase of a capital asset for over five hundred dollars ($500);~~
f. "**Department**" shall refer to Internal Departments, Services, Restricted Fees and any other ~~activities or events~~ Initiative that are assigned a Departmental Number in the Society's accounting system;
g. "**Departmental Number**" shall refer to the number assigned to a given Department;
h. "**Existence Motions**" shall mean any motion on behalf of an Affiliated Independent Student Group that renews its status as an Affiliated Independent Student Group such that it may levy a dedicated Fee through the SSMU.
i. "**Fee Advisory Committee**" shall mean the committee organized by the University with Student Associations to discuss Fees levied by the University
j. "**Fee Proposal**" shall mean any motion that would include the creation of a Fee, the renewal of a Fee, the increase or decrease of a Fee, or the termination of a Fee.
k. "**Financial Officer**" shall mean the Vice-President Finance or equivalent position of a Service or Club;
l. "**Financial Sanction**" shall mean any financial punishments or reprimands which the Society may levy on any Service, Club, Independent Student Group, Student Association or any group applying for funding from the Funding Committee (subject to the Society's ability to enforce Financial Sanctions against such a group);
m. "**Fiscal Year**" shall mean the Society's fiscal year, which runs from June 1st to May 31st;
n. "**Fund**" shall refer to a portion of ~~the Society's resources whose use is restricted to fulfill an intended purpose~~ a Fee to be disbursed to Members according to a restricted purpose;
o. "**Funding**" shall mean the disbursement of money from a Fund to an Applicant;
p. "**Funding Application**" shall mean the collection of documents submitted to the Committee of a Fund for the request of disbursement from a Fund;
~~q. "**Administration Budgets**" shall refer to the budgets for departments generally overseen by staff or by the General Manager, including but not limited to the budgets for General Administration, the University Centre, Gerts, the Student Run Cafe, IT, Website, Communications, and the Old McGill Yearbook;~~
r. "**Initiative**" shall refer to an event, project, or activity; ~~for which funding is applied to the Funding Committee;~~

s. "**Operating Budget**" shall refer to either the Original Operating Budget or Revised Operating Budget, whichever is most current;
t. "~~**Initial**~~ **Original Operating Budget**" shall refer to the budget for the ~~Operating Fund~~ Base Fee prepared by the Vice-President (Finance) in April of the previous Fiscal Year;
u. "**Revised Operating Budget**" shall refer to the revised versions of the Original Operating Budget prepared by the Vice-President (Finance) in October or February of each Fiscal Year, whichever is most current;
v. "**Restricted Fee"** shall refer to all Fees, besides the Base Fee and dedicated Fees for a Student Group, collected and managed by the Society for a specific purpose;
w. "**Reserve Fund**" shall refer to the allocation of specific Fees across Fiscal Years;
x. "**Short-term**" shall mean a period under 90 days;
y. "**Student Group Workshop**" shall mean the mandatory Student Group training sessions held by the Society at the start of each semester;
z. "**Variance**" shall refer to the difference between actual net results and budgeted net results for a given fund, Department, line item, or budget;
aa. **"Zero-Based Budget**" shall refer to the practice of budgeting in which all expenses must be justified for each new fiscal period. This form of budgeting starts at "zero-base" and builds upwards based on needed expenses for the upcoming fiscal period.

3. Responsibility

1. The President is the Chief Executive Officer of the Society.

2. The Vice-President (Finance) is the Chief Financial Officer of the Society and is responsible for:
    a. ensuring that all revenues and expenditures are generally in keeping with the wishes of the Board of Directors;
    b. ensuring that the Internal Regulations of the Finance Portfolio are updated as needed to reflect current practice;
    c. keeping the Executive Committee, the Funding Committee, the Legislative Council, and the Board of Directors apprised of the Society's ongoing financial status;
    d. reviewing and approving the Operating Budget;
    e. authorize all agreements that bind the Society;
    f. approving financial obligations and transactions of the Society; and
    g. reviewing budgets to prevent over-spending.

3. The Internal Auditor of the Society is the Comptroller.

4. Investment

1. The Board of Directors must approve all investments for which the term would be longer than three (3) years or for which there is a high degree of risk of loss.

2. The Board of Directors must approve the liquidation of all investments for which there is a high degree of risk of loss.

3. The Board of Directors must approve the transfer of any cash in or out of the Investment Portfolio.

4. The portion of each Reserve Fund for which short-term liquidity is not needed should be invested in short-term financial investments at the discretion of the Vice-President (Finance) and the General Manager. The investments should be chosen in such a way as to meet the liquidity needs of the Society while maximizing the earned rate of interest.

5. Any orders to divest from specific investments in the Investment Portfolio require the approval of both the Legislative Council and the Board of Directors.

6. The purchase and liquidation of all investments must be reported to the Board of Directors.

5. Budget

1. The Vice-President (Finance) has the authority to alter all budgets when preparing the Original Operating Budget and Revised Operating Budgets.

2. ~~The following~~ All Initiatives require ~~all~~ the managing Officer(s) to submit a complete budget or changes to an existing budget to the Vice-President (Finance) for approval with at least one month's notice in advance. ~~:~~
   ~~a. an event;~~
   ~~b. a project;~~
   ~~c. a publication; or~~
   ~~d. an initiative.~~

3. The Society's Operating Budget must be approved, in the following order, by:
   a. the Executive Committee;
   b. the Legislative Council; and
   c. the Board of Directors.

4. The procedure for creating and revising the Operating Budget shall be described in the Budget Protocol.

5. The procedure for creating and revising the Services Budgets shall be described in Section **15.** Financial Regulations of Services, under the Authority of the Vice-President (Finance) with consultation with the Vice-President (Clubs & Services).

6. Signing Authority

1. Any contract or commitment made directly on behalf of the Society must be approved by:
    a. The Vice-President (Finance); and
    b. The General Manager.

2. Under no circumstances is an Officer, staff member, Club, Service, volunteer, or any other person permitted to sign a contract on behalf of the Society without the prior and written approval of:
    a. The Vice-President (Finance); and
    b. The General Manager.

3. All agreements, commitments, and expenses for specific Departments must also be signed by the manager of the respective Department.

    a. If the Vice-President (Finance) is the manager of the Department, the President must also sign.

4. Any contracts entered into by Clubs, or Services, shall, in addition to requiring the approval of the Vice-President (Finance) and the General Manager, will also require the approval of the Vice-President (Clubs & Services).

    a. In the absence of the General Manager, for contracts entered by Clubs, or Services, if the contract term does not exceed the current Fiscal Year, the contract may be approved by the Vice-President (Finance) and the Vice-President (Clubs & Services), without the need for a replacement Signing Authority for the General Manager.

5. Any nonstandard contract requires consultation with the Internal Counsel before signing.

6. All contracts whose term exceeds twelve (12) months and/or includes an exclusivity clause must specify termination clauses, and renewal clauses, and requires consultation with the Internal Counsel.

7. In the absence of the General Manager, the Comptroller and the Internal Counsel may jointly sign agreements in place of the General Manager. In the absence of both the General Manager

and the Comptroller, the Internal Counsel may sign agreements in place of the General Manager. In the absence of both the General Manager and the Internal Counsel, the Comptroller may sign agreements in place of the General Manager.

8. In the absence of the Vice-President (Finance), the President may sign agreements in place of the Vice-President (Finance).

9. In the absence of both the General Manager and the Vice-President (Finance), the Comptroller and the Internal Counsel may jointly sign agreements in place of the General Manager and the President may sign agreements in place of the Vice-President (Finance).

10. For exceptional circumstances not already described in this document, the Board of Directors may develop and approve short-term procedures which require the countersignature of specific persons.

7. Required Approvals

1. With the exception of ongoing contracts or financial commitments, the Board of Directors must approve of any expense larger than $10,000.

2. All new Full-Time Employee positions must be approved by the Board of Directors before the hiring process begins.

8. Financial Sanctions

1. Sanctions may include but are not limited to:
    a. freezing of a bank account or specific funds in a bank account under the control of the Society;
    b. the loss of the office of an executive;
    c. reduction or elimination of the budget;
    d. loss of funding;
    e. restriction of access to funding for up to two (2) academic years;
    f. suspension of the privileges of a Society-Accredited Group;
    g. suspension of the status of a Society-Accredited Group; and
    h. loss of the ability to book rooms in the University Centre.

2. All breaches by Society-Accredited Groups of these Internal Regulations shall be brought to the attention of the Vice-President (Clubs & Services) and the Vice-President (Finance).

3. The Vice-President (Clubs & Services) and the Vice-President (Finance) shall present their recommendations (if any) for Financial Sanctions of Services to the Executive Committee. The

Legislative Council must ratify Financial Sanctions of Services approved by the Executive Committee.

4. The Vice-President (Finance) shall have the power to effect interim enforcement of Financial Sanctions that have not yet been approved or rejected by the Executive Committee or the Legislative Council.

5. Financial Sanctions for Services may be appealed by a Service to the Legislative Council after the Legislative Council has made a final decision.

9. Fees

1. Unless otherwise specified, all Fees must be used for the benefit of Members.

2. The Base Fee may only be modified through a Referendum.

3. All Members shall pay the full Base Fee except:
    a. Full-time students registered in "B" faculties, who shall be defined as students registered in the Faculties of Law, Dentistry, or Medicine (except those students registered in the School of Nursing and the School of Physical and Occupational Therapy), ~~students registered in the School of Architecture pursuing a B. Arch. Degree,~~ and students registered in the School of Religious Studies pursuing a B. Th. Degree, who shall pay seventy-two percent (72%) of the Base Fee;
    b. Part-time students registered in the Faculties of Arts, Music, Management, Engineering, Education, Science, the Schools of Social Work, Physical and Occupational Therapy, and Nursing, who shall pay fifty percent (50%) of the Base Fee; and
    c. Part-time students registered in "B" faculties, who shall pay thirty-six percent (36%) of the Base Fee.

4. All Restricted Fees shall be described in the Restricted Fees Protocol.

5. All Restricted Fees must specify, in order, the following clauses, or the lack thereof:
    a. the Fee description of the Restricted Fee approved by Referendum;
    b. the alternative name(s) of the Restricted Fee;
    c. the manager of the Restricted Fee;
    d. the staff salaries and benefits paid from the Restricted Fee;
    e. the dedicated Committee for the Restricted Fee;
    f. the remaining non-staff specific allocations of the Restricted Fee;
    g. if there is a Fund for the Restricted Fee:
        i. the name of the Fund;
        ii. the Committee responsible for the Fund;

iii. any specific regulations of the Fund; and

h. any additional regulations of the Fee.

6. All Restricted Fees must pay for the salary and benefits of any staff whose role is primarily for the enactment of its respective Restricted Fee.

7. The Vice-President (Finance) shall be a mandatory consultation for all allocations of Restricted Fees as described in section **9.5.f.**

8. All ~~new Fees, and Fee increase~~ Fee proposals and Existence Motions ~~presented to the Legislative Council~~ must be submitted to the Vice-President (Finance) and reviewed by the Finance Committee ~~during the Nomination Period~~ at least two (2) weeks before being presented to the Legislative Council. Submissions ~~to the Vice-President (Finance)~~ must include, the following:
    a. the Fee amount being requested;
    b. the start and end date of the Fee (by Semester);
    c. a description of the group ~~proposing~~ financed by the Fee Proposal ~~new Fee, or Fee increase~~;
    d. a detailed annual budget with justifications for every expense;
    e. Affiliated Independent Student Groups which levy a dedicated Fee must include all of its financial statements since the creation or latest renewal of its dedicated Fee. In the absence of its financial statements, the Fee proposals must be rejected by the Finance Committee.
    f. all other documentation requested by the Vice-President (Finance) or Finance Committee.

9. The Finance Committee does not reserve the right to outright approve or reject any Fee proposals outright, but must make formal recommendations to the Legislative Council. However, in the absence of extraordinary circumstances, the Legislative Council shall not pass a fee that the Finance Committee does not recommend.

10. Where the Finance Committee makes a recommendation not to pass a fee based on the criteria enumerated above, its reasons for doing so must be explained to the Legislative Council when the motion is presented.

~~11. Fee Proposals that are not presented to the Vice-President (Finance) and the Finance Committee at least three weeks prior to their presentation at Legislative Council should be rejected by the Legislative Council or the Board of Directors.~~

12. If the Finance Committee is consistently unable to meet quorum in a given year, the responsibilities of the Finance Committee will pass onto the Vice-President (Finance) and the Executive Committee.

13. Affiliated Independent Student Groups must follow the process as outlined in **section 9.8** and are not permitted to run Fee questions independent of the Society's internal processes. Affiliated Independent Student Groups that desire to run a fee must reach an agreement with the Society on how such a Fee will be implemented. ~~Independent Student Groups may levy Fees through a Referendum. Independent Student Groups must independently reach an agreement with the University that such a Fee will be implemented if the Referendum is successful.~~

14. All Fees levied for an Independent Student Group must be opt-outable.

15. Groups that do not legally form a part of the SSMU may not levy Fees~~, except where otherwise provided for in the Internal Regulations~~.

16. Clubs may not levy Fees.

17. The Society shall not authorize any increases of, renewals of, or the creation of Ancillary Fees until such a time that students have voted in favour for, or against, by way of a Referendum.

18. The Vice-President (Finance) shall receive any proposed Ancillary Fees or Ancillary Fee increases from the Associate Provost (Student Life and Learning) and compile them for presentation to the Legislative Council, along with all the information relevant to that Fee.

19. The President and Vice-President (Finance) will draft a proposed Referendum question based on the information to be sent from the relevant University department via the Associate Provost (Student Life and Learning). This draft will then be sent to the department in question for revisions. It will then be presented to the Legislative Council. ~~The final wording of the questions must be approved by a resolution passed by a majority vote of the Legislative Council and subsequently ratified by the Board of Directors.~~

20. The Legislative Council and the Board of Directors reserve the right to reject a proposed Ancillary Fee question outright.

21. The Vice-President (Finance) shall be the SSMU Representative to the Fee Advisory Committee and shall authorize increases to Course Fees, on the advice of the respective Faculty Association.

10. Funds

1. ~~Requests for funding from the Funding Committee~~ All Funds must adhere to the following ~~guidelines~~ regulations, without exception:

    a. Funding must primarily benefit Members;
    b. Funding to Initiatives must not be contradictory with the Positions Book of the Society;
    c. Funding amount must be approved on an item-by-item expense basis;
    d. ~~the request~~ Funding Applications must be made by a Member;
    e. Direct disbursement to an individual Applicant may only be given to those who were Members when the application was submitted;
    f. Funding applications from an individual Applicant must include a proof of Membership;
    g. No Funding shall be provided to an Applicant who already levy a dedicated Fee through the SSMU;
    h. No Funding shall be provided to a Service who already levy a dedicated Fee through the SSMU;
    i. No Funding shall be provided to an Affiliated Independent Student Group who already levy a dedicated Fee through the SSMU;
    j. Funding approvals must be decided by a Committee;
    k. ~~No funding applications may be approved if they span more than one (1) Fiscal Year~~ Funding may only be approved for expenses within the same Fiscal Year as the Funding Application;
    l. No Funding shall be greater than the amount requested in a Funding Application ~~group shall be granted funding in excess of the amount requested in their application or applications~~;
    m. No Funding for an Initiative shall be beyond its deficit; ~~without a deficit shall be granted funding;~~
    n. Funding ~~granted shall be dependent upon the~~ may only be given to Applicants that demonstrate efforts to fundraise and obtain sponsorships, if applicable.
    o. No Funding shall be approved for Applicants with an outstanding balance to the Society;
    p. If the applying group is Society-Accredited and sanctioned at the time of the application, the application cannot be considered until they are no longer sanctioned.
    q. No Funding shall be approved for alcohol;
    r. Funding for apparel and equipment shall only be approved if it is to become the property of the group and the ~~Funding~~ Committee of the Fund is satisfied that it will remain group property;

s. No Funding shall be for personalized apparel to an individual or personalized equipment to an individual;
t. No Funding ~~funds may be used to loan resources to Society groups~~ shall be for the purposes of startup costs;
u. No Funding shall be for salaries or stipends. ~~may be funded. Note that this article should not be interpreted to mean that~~ This does not include honorariums for speakers, facilitators, and volunteers ~~are ineligible~~.

2. The Committee of a Fund reserves the right to reject Funding for individual expenses at its discretion, including, but not limited to, expenses that are unreasonable in terms of cost, are unnecessary , or not viable.

3. The Vice-President (Finance) reserves the right to reject Funding Applications, and/or Funding of individual expenses that do not follow section **10.1** , even if the Funding Application was approved by the Committee of a Fund.

4. Funds shall operate on a rolling basis within a Fiscal Year.

5. All Applicants may only receive a maximum of $5,000 per Fund, per Fiscal Year.

6. All Applicants may only receive a cumulative maximum of $15,000 across all Funds, per Fiscal Year.

7. All Applicants who receive Funding for Initiatives must include the Society's logo and recognize the Society as a sponsor in a format described by the Committee of the Fund. ~~according to guidelines set by the Funding Committee. Failure to do so will result in loss of funding.~~ Failure to do so will result in the revocation of the Funding, and the Applicant no longer being eligible for any Funds of the Society.

    a. The possible format(s) includes, but is not limited to the following:
        i. a social media appreciation post;
        ii. inclusion as a sponsor on Initiative's promotional material;
        iii. inclusion as a sponsor on apparel;

8. All Funds must follow the Funding Protocol.

9. Funding not used for the purpose it was granted must be returned to the Society at the discretion of the Vice-President (Finance) ~~and Funding Commissioner~~.

10. Unsuccessful Applicants have the right to request an explanation of the reasoning behind the decision of the Committee of the Fund;

11. ~~Groups~~ Applicants may appeal any decision made by the ~~Funding~~ Committee of a Fund by submitting their appeal ~~to the Funding Commissioner~~ within seven (7) business days of the~~ir~~ notification of the Committee's decision. Appeals will be reviewed by the ~~Funding~~ Committee of the Fund . If the group is not satisfied by the decision of the ~~Funding~~ Committee of the Fund regarding the appeal, they may further appeal the decision to the Legislative Council. ~~Groups~~ Applicants may not appeal to either body more than once for a single application.

~~12. Funding applications approved by the Funding Committee shall go to Legislative Council for ratification only:~~ Funding Applications shall only need approval from the Committee of the Fund.

~~a. If an application approved by the Funding Committee exceeds 15% of the total fund available for that term; or~~

~~b. at the discretion of the Funding Committee and/or Funding Commissioner.~~

~~c. Otherwise, Funding applications shall only need approval from the Funding Committee.~~

11. Acquisition and Improvement Reserve Fund (AIRF)

1. The Acquisition and Improvement Reserve Fund (AIRF) is the strategic reserve fund that captures the surplus from the Base Fee at the end of each Fiscal Year and the remaining money of discontinued Restricted Fees and discontinued Services.

2. The capitalization threshold shall be $10,000.

3. The AIRF may be used for the acquisition, or improvement, of capitalized and non-capitalized assets expected to provide benefits for more than one (1) year, including, but not limited to, leasehold improvements, furniture, and equipment.

4. The AIRF may not be used for maintenance done on a regular basis, such as, but not limited to, cleanings, inspections, and filter replacements.

5. The AIRF may be used for repairs that are not done on a regular basis, and expected to provide benefits that span more than one (1) Fiscal Year, such as, but not limited to, replacement of damaged tiles, roof replacements, and broken windows.

6. The AIRF shall be composed of two portions, the AIRF Investment Portfolio and the Liquid Portion of the AIRF.
    a. "Liquid Portion of the AIRF" shall mean the liquid portion of the Acquisition and Improvement Fund not managed as part of the investment portfolio, which is

maintained for likely acquisitions and improvements occurring within the year. All assets of the Liquid Portion of the AIRF shall be kept in the form of cash or short-term low-risk investments, separate from the Society's Operating Fund.

b. The AIRF Investment Portfolio must not be liquidated to a value below the total collected Base Fee revenue from the previous Fiscal Year, except for the purchase or mortgage of a real estate property, or for the replenishment of the Liquid Portion of the AIRF.
c. At the start of each Fiscal Year, the Liquid Portion of the AIRF must be replenished to the value equal to 30% of the total collected Base Fee revenue from the previous Fiscal Year.
d. The Investment Portfolio shall be considered part of the AIRF.

7. Any expenditure from the AIRF must be approved in the following order, by:
    a. the General Manager;
    b. The Vice-President (Finance); and
    c. the Board of Directors.

12. Awards of Distinction Reserve Fund (ADRF)

1. The Awards of Distinction Reserve Fund (ADRF) is for the monetary reward of the SSMU Awards of Distinction (AoD).
    a. The AoD shall only be paid out by the interest earned by the ADRF in the previous Fiscal Year.
    b. The monetary reward of each AoD must be at most 0.5% of the value of the ADRF, rounded down to the nearest increment of $500.
    c. The number of recipient(s) of the AoD must be determined such that the total value of monetary reward to be distributed is less than the interest earned by the ADRF in the previous Fiscal Year.

2. The Funding Committee shall determine the recipient(s), the number of recipients, and the value of the monetary reward of the AoD.

3. Eligible applicants must:
    a. be Members;
    b. not be an Officer or member of the Funding Committee; and
    c. have completed a minimum of twelve (12) credits by the conclusion of the current academic year.

4. Applicants must submit the following documents:
    a. One (1) letter of reference from an instructor, regarding the applicant's academic achievement;

b. One (1) letter of reference regarding the applicant's contributions to student life at McGill;
c. One (1) Official Transcript from McGill University;
d. Official Transcripts from any other Universities that the applicant has attended; and
e. Other documents as requested by the Funding Committee.

5. All applications are confidential and must only be seen by the Funding Committee.

6. All applications shall be archived by the Vice-President (Finance).

7. The recipient(s) of the AoD shall be decided by the Funding Committee according to the following criteria:
    a. Outstanding academic merit, evaluated based on the applicant's transcript and a letter of reference from an instructor, submitted by the applicant;
    b. Contribution to student life at McGill, evaluated based on a letter of reference submitted by the applicant;
    c. If relevant, the consideration of financial need as described by the applicant, and
    d. Other criteria as determined and advertised by the Funding Committee; and

8. The AoD shall be presented at the SSMU Awards ceremony.

9. The timeline for the AoD shall be:
    i. The application form for the AoD shall be opened at the beginning of December.
    ii. The application form for the AoD shall be closed at the end of February.
    iii. The Funding Committee shall decide the recipient(s) of the AoD by March 15th.
    iv. The selected recipient(s) shall be sent an invitation to the SSMU Awards ceremony, and must submit requested documentation to the SSMU by the end of March.
    v. The AoD shall be presented to the recipient(s) at the SSMU Awards ceremony in April.

13. Health and Dental Reserve Fund (HDRF)

1. The Health and Dental Reserve Fund (HDRF) is to ensure the student fees collected for the SSMU Health and Dental Plan (HDP) is going towards health and dental coverage. The amount of the levy collected by the Society for the HDP above and beyond what is charged by the plan administrator should not be going into the Operating Budget, but instead should be kept in the HDRF to ensure steady health care costs for students. This will both alleviate pressure on the Vice-President (Finance) to conduct a new Referendum every year as the HDP costs change and ensure future financial statements are not inflated by the temporary surpluses of the HDP fees.

a. Notwithstanding, derived revenue from the amount of the levy collected by the Society directly related to its own investment (e.g. interest) can be used to support the Operating Fund with approval from the Board of Directors.

2. At the end of the Fiscal Year, surpluses from the HDP (i.e. the total amount collected by the SSMU Health Plan Fee and SSMU Dental Plan Fee minus the Fee charged by the health plan administrator), must be transferred into the HDRF

3. The HDRF can only be drawn down in Fiscal Years where the total HDP fees collected from Members are less than the fee charged by the plan administrator for insurance premiums and the administrative fee that the Society charges.

4. In January of every year, the Vice-President (Finance), working with the General Manager and Comptroller, will request preliminary cost estimates for the following Fiscal Year's health and dental coverage. If the projected cost will exhaust the funds in the HDRF, the Vice-President (Finance) will prepare a referendum question to alter the HDP fees.

5. Expansions to coverage under either the Health or Dental Plans which will incur additional costs on the HDRF must be approved by first Legislative Council and then the Board of Directors. In the case that the additional coverage would result in the depletion of the HDRF that would not occur otherwise, this additional coverage and an increase to the HDP fees must be approved through Referendum.

14. Student Life Reserve Fund (SLRF)

1. The Student Life Reserve Fund (SLRF) shall provide a space for year-end variances to be made available in future years without rolling into the Acquisition and Improvement Reserve Fund.

2. The following are subject to having their variances transferred into the SLRF:
   a. Restricted Fees ~~for distribution by the Funding Committee~~;
   b. Services ~~that are funded by Fees;~~
   ~~c. Services that are not funded by Fees;~~
   d. Affiliated Student Associations Fees; and
   ~~e. All Departments that are directly funded by Fees.~~

3. The amount of each Department's variance that is transferred into the SLRF at the end of each year shall be reduced by the amount spent by the Department on capital assets.

4. The Vice-President (Finance) and General Manager shall keep record of each Department's balance within the SLRF and keep an accurate record of transfers into and out of the SLRF.

5. Any variance shall be automatically transferred into the SLRF at the end of the Fiscal Year.

6. All Fees, Services, Affiliated Student Associations and other Departments shall have their variance automatically transferred back into their Departments at the beginning of the next Fiscal Year after the audited financial statements have been completed without needing to request the transfer.

7. The Vice-President (Finance) is responsible for communicating the SLRF balance of each Department to each respective Department at least two (2) weeks before the budget deadline, pending the completion of the audited financial statements.

8. If a Service or Department has accumulated a balance within the SLRF but has been inactive for two (2) years, the Board of Directors may approve the transfer of this accumulated variance into the Acquisition and Improvement Reserve Fund or the Operating Fund.

9. At the end of the Fiscal Year, the Society shall perform one of the following transfer options:
    a. In the event of a net increase in the total Club bank account balances over the fiscal period, the Society shall transfer an amount equal to the net increase to the SLRF from the Operating Fund, in order to offset the net revenue incurred by the Society as a result of the Clubs' net revenues.
    b. In the event of a net decrease in the total Club bank account balances over the fiscal period, the Society shall transfer an amount equal to the net decrease to the Operating Fund from the SLRF, in order to offset the net expense incurred by the Society as a result of the Clubs' net expenditure.
    c. Club bank accounts that are inactive, i.e., having not performed any transactions between January 1 and December 31 for two consecutive years, will be closed. The remaining balance of the account will be either transferred into the Club Fund, in the case of a surplus in the bank account, or transferred out of the Club Fund, in the case of a deficit in the bank account.

15. Financial Regulations of Services

1. The Financial Officers of Services are the Chief Financial Officers of their respective Services and are responsible for:
    a. Attending the Student Group Workshop training of Services Finances;
    b. Ensuring the Service follows the Internal Regulations of Finance of the Society;
    c. Ensuring the Service never enters into a negative balance;
    d. Creating and revising the Service Budget;
    e. Ensuring that the Service activities are in line with the latest Service budget;
    f. Tracking all of the Service expenses and revenues;

g. Ensuring receipts and documentation of every transaction is preserved and recorded;
h. That the Service does not over-expend in any expense account;
i. Training the next Financial Officer of the Service for the next Fiscal Year;
j. The Credit Card of the Service;
k. Regularly communicating with the Vice-President (Finance), and the Vice-President (Clubs & Services) to receive and go over the financial state of the Service;

2. The Service Budget must:
    i. Be approved by the Student Groups committee and ratified by Legislative Council;
    ii. Be created using the Zero-Based Budgeting technique;
    iii. Reserve a portion of its annual fee to completely cover the expenses of the Service for the next Fiscal Year from the beginning of May to the end of September;

3. The timeline for the Service Budget shall be the following:
    i. The Initial Service Budget must be submitted to the Services Sub-Committee by the end of September.
    ii. The January revision of the Service Budget must be submitted to Services Sub-Committee by the last week of January;
    iii. The March revision of the Service Budget must be submitted to Services Sub-Committee by the last week of March;

4. Service who do not submit a Budget will not have Purchase Orders, Payment Requests, and Reimbursements approved.

5. The Financial Officer of the Service shall be the only user of the Service Credit Card.

6. The Financial Officer of the Service must follow the Credit Card Protocol.

16. Financial Regulation of Clubs

1. Clubs must conduct all financial business through a bank account under the authority of the Society and supervised by the Vice-President (Finance) and the Club Finance Coordinator.

2. Clubs that do not submit their Club Audits will have their bank account money transfer permissions suspended until it is submitted.

3. At most one Credit Card may be provided to an eligible Club.

4. The limit of the Credit Card of a Club must be $500.

5. The limit of the Credit Card of a Club may never be increased.

6. A Credit Card may only be given to a Club that consistently has a Club Bank balance of at least $500.

7. Only the Financial Officer of the Club may use the Club Credit Card.

8. The Society may never provide loans to Clubs.

17. Financial Regulations of Independent Student Groups

1. The Society shall have no contract or commitment which stipulates a deficitary financial commitment to an Affiliated Independent Student Group, except for the transfer of the Fee levied on behalf of the Affiliated Independent Student Group.

2. Affiliated Independent Student Groups which levy a dedicated Fee through the SSMU must present the financial statements of its previous fiscal year to the Legislative Council by the end of February.