

Θ: FINANCIAL POLICIES

Preamble: This Policy covers all financial policies of the Engineering Society, its services, and associated groups that are governed by the Engineering Society Council and the Engineering Society Board of Directors.

A. FINANCES

Part I: The Engineering Society's Financial Structure:

1. The Engineering Society Council shall hold ultimate authority over all financial decisions of the Society, its services, and all associated groups. This authority shall be delegated in the following manner:
 - a. The Engineering Society Board of Directors shall oversee the financial accountability and sustainability of the services of the Engineering Society. (*Reference ζ, C.*)
 - b. The Budget Approval Committee shall oversee the financial accountability of the events, conferences, and competitions of the Engineering Society. (*Reference θ, G.*)
 - c. The Engineering Society Executive shall oversee the upkeep of the books of the Society and ensure that all services, events, and groups affiliated with the Society are financially accountable. The Executive shall be empowered to financially obligate the Society, with the approval of Council, and are required to update members of the Society on the financial situation of the Society on a regular basis. (*Reference θ, C.*)
2. The Director of Finance shall be ultimately responsible for the money of all Society services, events, conferences, years and disciplines, as well as the Engineering Society Operating Budget. Design teams shall manage their own finances in bank accounts separate from the Engineering Society, though they may bank with the Society if they so choose, and must act in accordance with policy outlined hereafter.
3. The Engineering Society will follow Canadian generally accepted accounting principles (GAAP)
4. The Engineering Society will have one chart of accounts to cover the society and its services. Each business will maintain only one set of books
5. All books will be open to all officers of the Society (within reasonable notice)

B. THE BANK OF ENGSOC

Part I: The Bank of EngSoc

1. The following outlines the Bank of the Engineering Society:

- a. The Engineering Society shall maintain at least one external account at a chartered bank or trust company as well as such other accounts and financial instruments as may from time to time be appropriate.
- b. The chartered bank or trust company account (henceforth known as the Current Account) shall operate primarily as a vehicle for issuing cheques and accepting deposits.
- c. All Engineering Society funds shall be held in provincially or federally backed vehicles.
- d. Accurate records shall be kept respecting the amounts of these funds by a chartered accountant or a certified general accountant and will be audited annually by a chartered accountant approved by the Engineering Society.
- e. Any Engineering Society account transaction must require the signatures of both the President and the Vice President (Operations) as the primary signing authorities on the bank account. In the case that either the President or the Vice President (Operations) are away, they may proxy their signing authority to the Vice President (Academics). If the President or the Vice President (Operations) has not given the permission to proxy their signing authority, Vice President (Academics) does not have the permission to sign instead of the President or Vice President (Operations) on any financial transaction regarding the Engineering Society Current Account.
- f. When signing authority is being given as proxy, a formal document must be filed and kept on record to prove that the permission had been given for a given time period for the Vice President (Academics) to sign on the account.
- g. During the summer office, two of the three summer office executives cannot take extended holidays at any point in time, to ensure the ability for financial transactions to be signed for authorization.

2. The Director of Finance shall be responsible for three types of internal accounts of the Engineering Society:

a. Expense Accounts - for groups which do not generate revenue, receiving funding from the Engineering Society Operating Budget. Groups with Expense accounts include:

- i. Academic Think Tank
- ii. Alumni Relations
- iii. Chief Internal Records Officer
- iv. Athletics
- v. BED fund
- vi. Carol Service
- vii. Charitable Works
- viii. Chief Returning Officer

- ix. Computer Managers
- x. Dec 6th Memorial
- xi. Environmental Development Committee
- xii. Engineering Society and Research Center (Kingston) Incorporated (ESARCK)
- xiii. Equality Issues Committee
- xiv. Kamikaze
- xv. Marketing Office
- xvi. Photographer
- xvii. Professional Development Committee
- xviii. Engineering Review Board
- xix. SciFormal Wine and Cheese
- xx. Terry Fox Run
- xxi. Website
- xxii. Welcome Back Week
- xxiii. External Relations Committee
- xxiv. Internal Marketing Office

b. Liability Accounts – for groups which are not designated funds in the Operating Budget, but have their own revenue. Groups with Liability Accounts include:

- i. Buddy Program
- ii. Engenda
- iii. EngWeek
- iv. Orientation Week
- v. Queen’s Engineering Competition
- vi. SciFormal
- vii. Yearbook
- viii. Conferences, which can include:
 1. Conference on Industry and Resources Queen’s University Engineering (CIRQUE)
 2. Commerce and Engineering Environmental Conference (CEEC)
 3. National Conference on Women in Engineering (NCWIE)
 4. Professional Engineers of Ontario Student Conference (PEO SC)

Current Liability Accounts – for groups which are designated money in the Operating Budget but do not prepare a budget for the fiscal year. Groups with Current Liability Accounts include:

- ix. Science Years
- x. Discipline Clubs
- xi. Other Clubs

xii. Science Formal Capital Account

xiii. Orientation Week Capital Account

3. All financial transactions of the Engineering Society and associated groups with internal accounts shall be kept track of in a set of books maintained by the Director of Finance under the supervision of Vice President (Operations). These books shall be maintained by a chartered accountant.

4. A financial statement shall be issued to all internal account holders within the Bank of EngSoc upon request.

5. To receive money from the accounts, a cheque requisition form must be completed and signed by the Treasurer, President, business manager or head manager of that group.

6. No cheque shall be issued without a receipt, invoice or proof of purchase to verify the amount of the purchase.

7. A withdrawal exceeding \$500.00 must be accompanied by a cheque requisition form signed by BOTH the Treasurer and President of the group.

8. Cheques made out to any organization with an account in the Bank of EngSoc must be made payable to: The Engineering Society of Queen's University or Queen's Engineering Society.

C. THE SOCIETY'S FINANCES

Part I: Operating Budget

1. The Director of Finance and/or Vice-President (Operations) shall present the final two budgets at two different times throughout the year to the EngSoc Council. The two budgets to be presented are the *Summer Office* (four month) and the *School Term* (eight month) operating budgets. These budgets shall govern the expenditures of EngSoc for that financial year.

2. The fiscal year for EngSoc shall be May 1st to April 30th of each year. The fiscal year is to be separated into two sections: a four month summer budget and the final budget for the entire fiscal year (which shall incorporate the summer budget).

3. The Summer Operating Budget shall be presented at the last EngSoc Council of the school year. The School Term Operating Budget shall be presented to council at the first and second councils of the school year for the preliminary and final versions respectively.

4. The Summer Operating Budget shall include:

a. All expenditures budgeted for the period of May 1st to August 31st, namely the Summer Office budget.

- b. Preliminary income estimates for the entire twelve month operating period
 - c. The balance of Engineering Society bank account(s) as of the year end
 - d. The surplus or deficit of any “Bank of EngSoc” liability accounts
 - e. Salaries for all summer EngSoc positions.
5. The School Term Operating Budget shall include:
- a. All revenues and expenditures budgeted for the period of September 1st to April 30th, namely the Full Operating Budget.
 - b. Finalized income amounts for the entire twelve month operating period
 - c. The balance of Engineering Society bank account(s) as of the year end
 - d. The surplus or deficit of any “Bank of EngSoc” liability accounts
 - e. All summer expenditures in their original budget amounts
6. EngSoc Council may amend either budget at any time during the year.
7. The approval of the budget by EngSoc Council shall authorize the Executive to make the expenditures granted in the budget without further approval from EngSoc Council being necessary.
8. Except as may be directed by the Council, with regards to the Engineering Society Budget, no member is empowered to make purchases in the name of the Society or in any other way financially obligate the Society.
9. Director of Finance and/or Vice-President (Operations) shall present two Mid-Year Budgets throughout the full year of operations.
- a. The update for the Summer Operating budget shall be presented at summer council. This update shall include:
 - i. All expenditures from September 1 to February 1
 - ii. Preliminary budgeted amounts for comparison with actual expenditures
 - iii. A forecast of the year-end financial situation of the Society
 - iv. Large budgetary amendments including:
 - 1. Unforeseen expenditures
 - 2. New project initiatives
 - b. The update for the School Term Operating budget shall be presented at summer council. This update shall include:
 - i. All revenue and expenditures from May 1st to December 31st
 - ii. Preliminary budgeted amounts for comparison with actual expenditures
 - iii. A forecast of the year-end financial situation of the Society
 - iv. Large budgetary amendments including:
 - 1. Unforeseen expenditures
 - 2. New project initiatives

10. The purpose of the Mid-Year Budget Update shall be to inform Council and the incoming Executive of the financial situation of the Society mid-way through the fiscal year. Additionally, the Mid-Year Budget Update shall act to rebudget some of the original funds set aside in the EngSoc Operational Budget for that fiscal year.

Part II: Taxation; PST and GST

11. Provincial sales tax returns shall be filed with the Provincial Government as required.

12. Goods and Services tax returns shall be filed with the Federal Government as required.

Part III: The Capital Fund Policy

13. The capital fund exists as an investment account of monies accrued by the Engineering Society. This policy mandates the Engineering Society to manage this account so that it may be a sustainable resource for the future.

14. A capital fund budget must be approved by the Engineering Society Council. The capital fund budget must be maintained by the Director of Finance throughout the fiscal year.

15. Contributions to the capital account shall consist of:

- a.** Investment income.
- b.** Operating Budget, or internal account, surpluses.

16. Expenditures from the capital fund can be made from the following categories:

- a.** An unforeseen need for emergency funding.
- b.** Operating Budget, or internal account, deficits.
- c.** Capital improvements to the Engineering Society lounge and offices.
- d.** New Engineering Society initiatives.
- e.** Loans made to Engineering Society Services or affiliated groups.

17. All capital fund contributions and withdrawals must be accounted for according to group that makes them.

18. Monies disbursed for new Engineering Society initiatives must be replaced according to a fiscal plan.

19. All expenditures must be approved by the Engineering Society Council. In case of emergency funding, the expenditure must be ratified at the earliest possible council meeting.

20. The Capital Fund shall always be above a minimum amount given by the sum of the following amounts:

- a.** 5-7% of the sum of all Engineering Society Budgets.
- b.** Twice the amount of the largest emergency expenditure to date

Part IV: Operations

21. A list of all Engineering Society assets (including prices and dates purchased) will be kept up to date for capital planning and purchasing purposes.
22. A log will be kept by the Director of Finance of all items placed in and removed from the Engineering Society safe, including dollar amount, date of deposit, date of removal, name of depositor, and name of organization.
23. Money shall not be kept in the safe over the weekend except for petty cash and float change (maximum \$200).
24. All groups, clubs, teams, events, or persons cited as an Expense Account, Liability Account, or Current Liability Account must abide by the guidelines as set out in the EngSoc Finances Handbook for that year.

Part V: Dean's Donations

25. Dean's Donations shall be allocated through the faculty by application to the Dean of Applied Science through VP (Student Development)

D. HONORARIA

Purpose

1. The payment of an honorarium is an expression of gratitude by EngSoc. Such payments are not to be considered a salary.

Transition Dinner

2. The Engineering Society shall finance two transition dinners each year; the first for the incoming/outgoing Executive Members and the second for the incoming/outgoing Directors.
3. The financial breakdown for each dinner shall be as follows:
 - a. \$110.00 including applicable taxes for each incoming/outgoing executive or director attending the dinner.
 - b. \$50.00 including applicable taxes for transportation.
4. The above outlined finances for either dinner shall only be made available upon presentation of all final Transition Reports from either group in question (outgoing Executive Members or Directors) to the Engineering Society Review Board.
5. Should either group wish to proceed with their transition dinner while there are still final Transition Reports outstanding, it shall be at the discretion of the Engineering Society Review Board Chair to release the full amount of funding minus \$110.00 for each transition report that has yet to be submitted.
6. In the case where an individual returns for a second consecutive year in a new role as

an Executive member and/or Director, they are entitled to one transition dinner as incoming and a second as outgoing upon submission of their final transition report to the Engineering Society Review Board.

7. In the case where an Executive member or Director returns for a second consecutive year in the same position, they are entitled to one transition dinner as incoming and a second as outgoing upon submission of a Position Report, summarizing the past year, to the Engineering Society Review Board.

John Orr Dinner

8. The Engineering Society shall finance the participation of the Engineering Society Executive, Directors and Senators in the annual John Orr Alumni Dinner.

9. The Engineering Society shall be financially responsible for the following:

- a. Tickets to the John Orr Dinner & Dance for all attendees.
- b. Hotel Accommodations for all attendees at \$200.00 per room to a maximum of four rooms.
- c. Transportation & Parking costs to and from the event to a maximum of \$615.00. Personal car use shall be reimbursed at a rate of \$0.25 per kilometer travelled.

10. Dinner participants shall be personally responsible for any expenses in excess of those outlined above.

Presidential Tuition Subsidy

11. The purpose of the Presidential Tuition Subsidy shall be to mitigate the financial impact experienced by any candidates who would choose to take a reduced course load throughout his or her term in office, thereby requiring at least one additional academic term to complete a degree.

12. The Presidential Tuition Subsidy shall be equal to the cost of any additional tuition or other mandatory fees to be paid as a result of the aforementioned reduced course load, up to a maximum of one half of the combined cost of one year's full-time Applied Science tuition and the applicable mandatory fees.

13. To obtain the Presidential Tuition Subsidy, the President must submit a request to the Engineering Review Board (ERB), complete with adequate documentation of increased financial burden as a result of the aforementioned reduced course load. This documentation will be used by ERB to assess the eligibility of any candidate, and will remain strictly confidential.

14. Authority will be granted to ERB to determine the value of any Tuition Subsidy to be granted, within the confines of this policy.

15. Should a candidate disagree with the eligibility assessment made by ERB, an appeal may be made directly to the Engineering Society Council in a closed session.

E. CLUBS, YEARS, AND DISCIPLINES

(Ref. By-Law 5, By-Law 6)

Finances

1. The finances of clubs, science year, and discipline clubs shall be managed by the Director of Finance through current liability accounts in the "Bank of EngSoc", as outlined in θ , B.
2. Any club with an account external to the "Bank of EngSoc" must:
 - a. Inform the Director of Finance of the bank account number, the financial institution which holds the account, and the names of all persons with signing authority over the account every September to ensure no account is lost.
 - b. Require the signatures of both the club President and Treasurer for all transactions.
 - c. Transfer signing authority within one month of the hiring of a new President and Treasurer.
3. Clubs, years, and disciplines need not create a budget of expected revenues and expenses for the fiscal year.
4. Clubs, years and disciplines may only request money that they currently have in their account. No club, year, or discipline is permitted to go into debt with the "Bank of EngSoc" for a longer than 6 months
5. If a club, year, or discipline requires funds causing a debt of more than \$500, a proposal for how the funds will be replaced must be submitted to the Vice President (Operations) and must be approved by a motion of Council for the funds to be granted.
 - a. For special circumstances, only the approval of the Executive is needed.
 - b. A log book should be kept by the group treasurer of all transactions in addition to the records of the Director of Finance.
6. Receipts of all expenditures must be saved by the treasurer of each group. These receipts must be attached to cheque requisitions and given to the Director of Finance in order for a cheque to be issued.

F. EVENTS, CONFERENCES, AND COMPETITIONS

Finances

1. The finances of events, conferences, and competitions shall be managed by the Director of Finance through liability accounts in the "Bank of EngSoc", as outlined in θ , B.
2. Any event, conference, or competition with an account external to the "Bank of EngSoc" must:

- a. Inform the Director of Finance of the bank account number, the financial institution which holds the account, and the names of all persons with signing authority over the account every September to ensure no account is lost.
 - b. Require the signatures of both the Head Organizer and Treasurer for all transactions.
 - c. Transfer signing authority within one month of the hiring of a new Head Organizer and Treasurer.
3. Receipts of all expenditures must be saved by the treasurer of each organizing committee. These receipts must be attached to cheque requisitions and given to the Director of Finance in order for a cheque to be issued.
4. The Engineering Society will maintain a Capital Expense Account for Science Formal and Orientation Week which will have the same circumstances as a Type 3 account as outlined in theta.B.2.c. with the following stipulations
 - a. Any purchases made from the Capital Account must be approved by either the Orientation Chair or the Convener, and the treasurer or Finance Chair with approval from Director of Finance and the President
5. Science Formal and Orientation Week must budget an amount of \$4000 to be moved into each groups Capital Expense Account every year

Preliminary Budgets

6. Preliminary budgets must be presented to the Budget Approval Committee, as outlined in θ . G.
7. The following criteria will be the minimum accepted by the Budget Approval Committee when reviewing preliminary budgets:
 - a. All budgets must contain a well researched and developed statement of probable income and expenses for the group over the given time frame.
 - b. All budgets must contain the preliminary budget and final report from the previous year (where available and for the purposes of comparison only).
 - c. All budgets must have a detailed appendix containing:
 - i. an explanation and outline of any significant differences from the previous year;
 - ii. an explanation of each line item on the budget and how its value was obtained; and
 - iii. written estimates for large line items.
 - d. All budgets must have a 10% contingency (expense) line item (i.e. 10% of total expected expenses).
 - e. All preliminary budgets must be zero balanced (net income - expenses = \$0.00).

Final Financial Reports

8. Final financial reports must be presented to the Budget Approval Committee, as outlined in θ , G.
9. The following criteria will be the minimum accepted by the Budget Approval Committee when reviewing Final Financial Reports:
 - a. All Final Reports must contain an accurate statement of income and expenses for the group over the given time frame.
 - b. All Final Reports must contain the final report from the previous year and the preliminary budget of the present year.
 - c. All final reports must have an appendix containing:
 - i. an explanation and outline of any significant differences between the report and the preliminary budget; and
 - ii. any relevant information to aid in future budgets.

Financial Assistance

10. All conferences, Orientation Week, and SciFormal must abide by the following rules:
 - a. An appropriate amount of money must be set aside to pay for a minimum of 5% of the expected attendance of the given event or 5 places, whichever costs less.
 - b. This money will be used to distribute bursaries, either in part or in full, to pay for the attendance of Engineering Society members based on financial need.
 - c. The bursary selection committee will be comprised of the head organizer of the given event and the appropriate EngSoc Executive or Director based on their portfolio.
 - d. The selection will be based on a written application. An interview may also be conducted at the discretion of the head organizer of the event.
 - e. The availability of these bursaries must be advertised through the standard Engineering Society hiring procedure.

Part IV: Credit Card

11. The President, Vice-President (Operations) and General Manager of the Engineering Society will each hold BMO Corporate MasterCard with Airmiles Credit Card in their names, tied to the Engineering Society's BMO Commercial Account.
12. The Director of Finance will oversee the credit cards use, and will ensure that the following stipulations for credit card use are met:
 - a. The Credit Card will be used for approved capital expenditures, the purchasing of approved inventory for the Society's services, and for any approved budgeted expenses, including budgets approved by the Budget Approval Committee.
 - b. Before the Credit Card is to be used for any purchase, the Vice-President (Operations) and President must approve its use for that specific purchase.

- c. The Director of Finance and General Manager must be notified of all Credit Card purchases.
- d. The Credit Card Holders are responsible for providing all receipts of purchases to the Director of Finance. If no proof of purchase is available, it is up to the discretion of the Director of Finance as to whether or not to bring the item to Council under theta.F.12.e
- e. Any purchases which are not approved by the Vice-President (Operations) and President, and, which are not brought to the attention of the Director of Finance and General Manager, will be brought to the Engineering Review Board (ERB), which will then make the recommendations to the EngSoc Executive on a course of action to be made.
 - i. An inappropriate purchase is defined as one which is not approved in the Society's operating budget or a service's budget, and/or, is not approved by both the Vice-President (Operations) and the President.
 - ii. Possible courses of actions include the confiscating of the user's credit card, suspension from the offender's position (when allowed in policy), or recommendation that they be removed from their position. Recommendations on the appropriate courses of action will be made at the discretion of ERB.
- f. If a credit card is lost, the credit card shall be temporarily cancelled by the Director of Finance. It is the responsibility of the credit card holders to immediately notify the Director of Finance when the credit card is lost.

3. The Director of Finance will present to Council the Society's credit card statements twice annually, along with both the mid-year actuals and the year-end budget actuals.

G. THE BUDGET APPROVAL COMMITTEE

Purpose

1. The Budget Approval Committee (herein after known as the Committee) shall review and approve all preliminary budgets and final financial reports for Engineering Society events, conferences, and competitions, including but not limited to:
 - a. Buddy Program
 - b. Conference on Industry and Resources Queen's University (CIRQUE)
 - c. Engenda
 - d. Engweek
 - e. Orientation Week
 - f. Queen's Engineering Competition (QEC)
 - g. Science Formal

h. Super Semi

i. Any external conferences hosted by the Engineering Society of Queen's University

j. Any other external group as is seen fit by Council.

Composition and Selection of Committee Members

2. The Committee shall be composed of five voting members. These members shall be:

a. The Director of Finance

b. Three current student members of the Engineering Society, for one year terms

c. One voting member of EngSoc Council for 1-year terms.

d. The current budget managers

3. The Vice-President (Operations) serves as an ex-officio, non-voting member of the Committee.

4. The Engineering Society membership shall elect the four voting members of the Committee (not including the Director of Finance) at council in the following manners:

a. Three current student members of EngSoc shall be nominated for a one year term by a nominating committee.

b. One voting member of Council shall annually be elected for a one year term.

5. The four current student members of the Committee must not be members of the Society's Executive or Directors of the Society.

6. The nominating committee shall recommend to the Engineering Society membership a series of candidates for the three current student member positions elected annually.

a. The nominating committee shall consist of the Director of Finance, the Vice-President (Operations), and another member, as chosen by the outgoing Chair of the Committee.

b. The nominating committee shall be chaired by the outgoing Chair of the Committee.

c. The selection process for these nominated members will be conducted according to the EngSoc Hiring Policy as seen in Policy Manual Section γ .B.

7. The Chair of the Committee shall be the Director of Finance.

Meeting Setup and Times

8. The Committee shall meet following the timeline created by the chair of the Committee.

9. Three votes in favor of a budget/report will be required in order to pass it (no matter what the attendance at the meeting).

10. If a budget/report is not approved, the chair must call another meeting so as to pass the said budget/report (with improvements) as soon as possible.

11. A voting member of the Committee may not proxy his/her vote.

Reporting to Council

12. The Chair of the Committee must report, to Council, the results of the Committee at the EngSoc Council.

H. SERVICES' FINANCES

Purpose

1. This policy outlines the overall financial policies of the Engineering Society's services.

This policy applies to:

- a. Campus Equipment Outfitters (CEO)
- b. Clark Hall Pub
- c. Golden Words
- d. The Tea Room
- e. Science Quest

Operations

2. Each service shall maintain its financial account with the Engineering Society's Current Account.

3. The Vice-President (Operations)' and President's signatures are required on all cheques requested by any service.

4. The Director of Services must sign-off on all service requisitions.

a. All requisitions must be generated by the business manager and signed by the head manager

i. In the event of no business manager, the head manager will generate and sign requisitions.

5. All financial transactions of each service shall be kept track of by a chartered accountant.

6. Every service will make daily deposits from the individual safes for each service into the deposit safe to be held by the Engineering Society. The deposits made into this safe must be in a deposit bag ready for pick up by a securities company.

Budgets

7. Each service is required to create a budget for the fiscal year May 1st to April 30th.

8. The following criteria are required for preliminary budgets:

a. All budgets must contain a well researched and developed statement of probable revenue and expenses for the service's fiscal year.

b. All budgets must contain the budgeted figures for the upcoming year and actual figures from the previous year.

c. All budgets must have a detailed appendix containing:

- i.** an explanation and outline of any significant differences from the previous year.
 - ii.** an explanation of each line item on the budget and how its value was obtained.
 - iii.** written estimates for large line items.
- d.** All preliminary budgets must be zero balanced (net income minus expenses = \$0.00). No service may budget for a deficit (net income minus expenses must be greater than or equal to \$0.00)
- e.** A capital purchase line item equal to the three year capital purchase average, at a minimum, as well as an assessment of all capital assets and a three year capital replacement plan. The Board of Directors may approve a capital purchase line item less than the previous three year average with appropriate justification.

Accountability

- 9.** Each service must present their preliminary budgets with actuals from the previous year to the Board of Directors for its approval at the summer Board of Directors meeting.
- 10.** Each service must provide the Director of Services with financial updates by the seventh (7th) day of every month of the academic year with descriptions of revenue and expenses of the previous month. These financial updates shall be provided by the Director of Services to the Chair of the finance committee which shall be compared to the preliminary budget on a monthly basis and will be reviewed by the Finance Committee of the Board of Directors.
- 11.** Each service must present the Board of Directors with a progress update at the third meeting of the Board. These updates must include monthly actuals for the year to date.
- 12.** Each service must fully inform the Vice President (Operation) of their financial situation upon request.
- 13.** Service managers shall only be permitted to receive their final paycheck or final honoraria upon submission of their transition reports to the Director of Services and to the Vice President (Operations).

Loans from the Bank of EngSoc

- 14.** All EngSoc services may request a loan from the Bank of EngSoc. A loan request must be accompanied with:
- a.** The year to date actuals of the service
 - b.** The service's current inventory
 - c.** A list of all outstanding debts and invoices due
 - d.** A cash flow analysis for the remainder of the fiscal year
 - e.** A loan repayment plan

15. Any loan from the Engineering Society to a service must be approved by the Vice-President (Operations) and the President.

16. Any loans taken out by a service from the bank of EngSoc will be given at prime interest and must be paid back according to the loan repayment plan presented by the Vice-President (Operations).

17. The repayment plan must be reasonable and should take into account the financial situation of the service, as presented by the Head Manager and Business Manager.

18. A fee of \$10 must be paid to the Engineering Society per working day each loan payment is late.

19. Any loan that has not been repaid by the end of the fiscal year must be recorded in the Final EngSoc Operating Budget when presented to Council.

The service's budget in the next fiscal year must include the loan repayment plan and the service must endeavour to eliminate the operating deficit by increasing appropriate revenue generating mechanisms.

Surpluses and Deficits

20. If a service runs a surplus in any one year:

- a. The service must repay all outstanding debts with creditors and a reasonable amount of any outstanding debt with the Engineering Society, as determined by the Vice President (Operation).
- b. The service must forecast capital asset needs for the next three years and save surpluses accordingly.

21. If a service runs a deficit in any one year:

- a. The service may use surpluses from previous years to cover the deficit.
- b. The service may request a loan from the Engineering Society. A loan request must be accompanied with:
 - i. The year to date actuals of the service
 - ii. The service's current inventory
 - iii. A list of all outstanding debts and invoices due
 - iv. A cash flow analysis for the remainder of the fiscal year
 - v. A loan repayment plan
- c. Any loan that has not been repaid by the end of the fiscal year must be recorded in the Final EngSoc Operating Budget when presented to Council. The service's budget in the next fiscal year must include the lean repayment plan and the service must endeavour to eliminate the operating deficit by increasing appropriate revenue generating mechanisms

I. SERVICES CAPITAL PLAN

General

1. This policy outlines the Capital Plan Policy of the Engineering Society's services. The purpose of the Capital Plan is to ensure that the services plan for future capital purchases and renovations. This policy applies to:

- a. Campus Equipment Outfitters (CEO)
- b. Clark Hall Pub
- c. Golden Words
- d. Science Quest
- e. The Tea Room

Management

2. All services must submit a capital plan to the Vice-President (Operations) which must include:

- a. A balance sheet for the previous fiscal year
- b. A list of all fixed and capital assets including their purchase price and their current value. Current value will be determined based on straight line depreciation.
- c. An income statement for the current fiscal year.
- d. A list of items which the service would like to purchase if there is a surplus of funds.
- e. The amount the service plans to contribute to the Services Investment Account.
- f. The intended payment schedule the service would like to use to pay the contribution to the Services Investment Account.

3. The service can make their contribution to the Services Investment Account in one of three ways:

- a. One lump sum at the beginning of their fiscal year
- b. In three Equal payments to be paid on March 1st, January 1st, and September 1st.
- c. In twelve equal payments to be paid on the first day of every month.

4. The capital plan must be reviewed by the Vice-President (Operations) and the President. Once the plan is approved by the Vice-President (Operations) and the President, the plan must be presented to the Board of Directors.

5. The Vice-President (Operations) is to ensure that each service make their contribution at the appropriate time. If a service does not make their contribution on time, the Vice-President (Operations) is to report that to the Board of Directors. The Board of Directors can then recommend a suitable repercussion.

6. Expenditures from the Services Investment Account can be made for the following reasons:

- a. Capital purchases.
- b. Renovations on the services assets.

c. An unforeseen need for emergency funding which is not related to operational expenses.

7. All expenditures of the Services Investment Account must be approved by the Vice-President (Operations), the President, and the Board of Directors. In case of emergency funding, the expenditure must be approved by the Vice-President (Operations), the President, and the chair of the Board of Directors.

8. Capital purchases which are not deemed to be necessary for the operation of the service can only be expended by the Services Investment Account if twice the amount of the expenditure has been saved by that service in the Services Investment Account.

9. Interest accrued by the account will be divided equally between each service, relative to the amount that has been contributed by each service.

10. Any expenses relating to the Services Investment Account, including bank fees and the purchasing of cheques, will be divided evenly among the services.

J. ADMINISTRATION FEES (ENGSERVE)

Purpose

1. The administration fee is a revenue source for the Engineering Society "Operations" budget. The fee is used to compensate the Engineering Society for costs incurred in the operations of the Clark Hall and Beamish-Munro Hall Offices and Lounges and for the Engineering Society professional services.

2. The administration fee is calculated annually by the Vice President (Operations)

Rate Determination

3. The administration fee rate is determined by:

a. The size of office space allocated: Every group occupying an Engineering Society office shall contribute to the utility, insurance, and sinking fund costs of the space, as determined in the Engineering Society Lease with Queen's University.

b. The amount of insurance received through EngSoc: Each group that receives property, liquor liability, libel, or other coverage with EngSoc's policies will pay for their share of the policy, dependent on the percentage of the policy covering their service.

c. Income: A services income is absorbed through an administrative fee. This fee will support professional services provided by EngSoc (EngSoc hiring coordination, bookkeeper fees, General Manager salary).