

CHAPTER 5.

Finance.ⁱ

Article 1. Division on Finance and the Budget.

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§5-1.1. **Definitions and conventions.**

Within this article, the following definitions and conventions shall apply:

(1) The “**division**” is the Division on Finance and the Budget.

§5-1.2. **Purpose and mission.**

The Division on Finance and the Budget shall administer finance regulations and assist the President to manage the financial obligations of the Association.

§5-1.3. **Organization.**

The office shall be organized pursuant to §3-1.3.

§5-1.4. **Chief Finance Officer.**

The division shall be headed by a Vice President, who shall have the title of Chief Finance Officer. The Chief Finance Officer shall be responsible for the overall execution of the purpose and mission of the division.

§5-1.5.

Reserved for future use.

§5-1.6.

Reserved for future use.

§5-1.7. **Legislative oversight.**

The Council of Student Body Presidents shall exercise oversight of the division.

Article 2. Budget.

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Within this chapter, the following definitions and conventions shall apply:

- (1) the fiscal year of the Association shall be from July 1 to June 31 of the following calendar year.
- (2) the “**recurring funds**” are those from projected fee revenues for a given fiscal year.
- (3) the “**non-recurring funds**” are all other projected funds for a given fiscal year, including surpluses from previous fiscal years.
- (4) a “**line item**” is an itemized expense within the budget.

§5-2.2. Budget of funds.

There shall be a budget of recurring and non-recurring funds for each fiscal year, which shall be binding on the Association. No funds shall be spent except in accordance with the budget. The budget shall be established by means of the General Assembly’s legislative process according to the timeline in section 3 of this article.

§5-2.3. Budget timeline.

- (a) No later than the second to last scheduled business meeting of each session, the President shall propose a budget of recurring funds for the following fiscal year to the General Assembly.
- (b) At the first scheduled business meeting of each session, the President shall propose a budget of non-recurring funds for the current fiscal year to the General Assembly.

- (c) If a budget of recurring funds is not adopted prior to adjournment, the Board of Directors shall adopt one prior to the beginning of the fiscal year.

§5-2.4. Line items.

- (a) The budget shall be organized into line items, which shall be numbered, include a statement of their purpose, and be as specific as the General Assembly requires.
- (b) All employees and contractors paid a stipend or salary shall be explicitly included as an individual line item in the budget.

§5-2.5. Budget organization.

Line items shall be organized into the following sections:

- (1) Income and base budget.
- (2) Stipends, salaries, and compensation.
- (3) Office and operating expenses.
- (4) Meetings, lodging, and travel.
- (5) Advocacy, outreach, and discretionary funds.
- (6) Administrative fees, expenses incurred by prior administrations, and reserve.

§5-2.6. Tiered compensation schedule.

Paid Association Officials shall be compensation according to a tiered schedule and at a rate established by the budget (§4-1.9.) The President shall set the tiers and assign each officer to them by executive order. In each tier, all positions shall be paid at the same rate. If one position in a tier is paid, all positions must be paid. No higher numbered tier shall be paid at an amount higher than a lower number tier.

§5-2.7. Amendments to budget.

The budget may be amended by means of the General Assembly’s legislative process.

Chapter 5. Finance.

Article 3. Administration.

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- §5-3.10. **Disbursement of travel funds.**
- §5-3.11. **Prohibited expenditures.**

§5-3.1. **Definitions and conventions.**

Within this chapter, the following definitions and conventions shall apply:

- (1) the “**monthly report**” is the report described by §3-1.15.
- (2) “**authorized travel**” is travel (i) for which a travel authorization form has been submitted to the UNC General Administration or (ii) to a scheduled business meeting of the Association in accordance with all other policies.

§5-3.2. **Ledger of funds.**

The Chief Finance Officer shall maintain a ledger of funds based on the budget. The ledger shall account for each expense, and each expense shall be deducted from the appropriate line item.

§5-3.3. **Financial statements and reports.**

In accordance with the requirement of Article 4, Section 3 of the Association Constitution, the financial records of the Association shall be a matter of public record. As a part of the monthly report, the Chief Finance Officer shall publish a summary of all expenses incurred since the previous report, including the number and description of the line item from which funds were drawn. The Chief Finance Officer shall also publish the ledger each month at the time of the monthly report.

§5-3.4. **Independent audit.**

Each fiscal year, the Chief Finance Officer shall commission an external, independent audit of the Association’s financial practices and expenditures. Copies of this report shall be published, and shall be distributed to the Board of Directors.

§5-3.5. **Transfers between line items.**

At the direction of the President, the Chief Finance Officer shall transfer funds between line items in the budget. Any such transfers shall be included in the monthly report, and may be overturned by a vote of the Board of Directors.

§5-3.6. **Over budget line items.**

If a line item is overdrawn, the Chief Finance Officer shall note the circumstance in the monthly report, and which, if any, remedial actions were taken. Additionally, no further expenditures shall be authorized from an over budget line item.

§5-3.7. **Credit of unexpected funds to line items.**

If the Association receives funds in excess of those budgeted, the President shall credit them to an appropriate line item in the budget of non-recurring funds. The Chief Finance Officer shall note such an action in the monthly report. Such an action may be overturned by vote of the Board of Directors.

§5-3.8. **Disbursement of funds generally.**

Except as otherwise noted, funds shall be disbursed by UNC General Administration at the direction of the Chief Finance Officer. No funds shall be disbursed without a receipt or invoice for the goods or services purchased. No funds shall be disbursed except in accordance with the budget and these statutes.

§5-3.9. **Disbursement of salaries and stipends.**

Salaries and stipends shall be disbursed over the course of the fiscal year by the UNC General Administration according to a regular monthly schedule.

§5-3.10. **Disbursement of travel funds.**

Funds for travel shall be disbursed by the UNC General Administration at the direction of the Office Manager, and after the submission of a travel reimbursement form. Travel shall be reimbursed at a rate equal to the prevailing per diem recognized across the UNC System. Only authorized travel shall be reimbursed.

§5-3.11. **Prohibited expenditures.**

No Association funds shall be expended except in accordance with local, state, and federal law. No Association funds shall be expended on alcohol, tobacco, or donations to external organizations. Additionally, no funds shall be expended for individual gain.

§5-3.12. Policy on lodging expenditures.

No later than seven days prior to any regular business meeting, the delegation leader for each institution shall indicate whether his or her delegation intends to attend that meeting. If any delegation which has

indicated their intent to attend the meeting subsequently fails to do so, the Chief Finance Officer shall charge that institution's student government for the cost of unoccupied lodging. The President may, in cases of medical or personal emergency, or in other unforeseen circumstances, direct the Chief Finance Officer to waive this charge. If any institution's student government is charged under this section, the President shall contact that institution's student government advisor and inform them of the circumstances under which the charge was made.

ⁱ *Chapter revision history*

- Created by: GB 30, 39th Session (2010-2011).
- Amended by:
 - GB 13, amended §5-2.6.(2), 40th Session (2011-2012).
 - GB 17, amended §5-1.1, §5-1.2, §5-1.3, §5-1.4, repealed §5-1.5, §5-1.6, amended §5-1.7, §5-2.6, §5-3.1, §5-3.3, §5-3.10, 41st Session (2012-2013), 09/15/2012.
 - GB 23, added §5-3.12, 41st Session (2012-2013), 10/06/2012.