

Finance Regulations

Interpretation

1. In this Regulation, unless otherwise provided or where the context otherwise requires, all words shall have the meanings given in the Constitution of the Nanyang Technological University Students' Union.

Amendment

2. A Motion seeking to amend or remove any provision of this Regulation shall not be passed unless it has been supported by the votes of:
 - (1) Not less than half of the total number of Voting Council Representatives present during a Council Meeting, or
 - (2) Not less than half of the total numbers of Union Members present during a General Meeting of the Union.
3. For the purposes of section 2, amendment of provisions includes addition, amendment or repealing of provisions.

Legislative History

4. This legislation was first enacted on 3 March 2017.

Purpose

5. The Finance Regulation aims to deal with the definition, recognition, and measurement of the elements arising from the financial processes occurring in the Union. It includes the recognition of income and its allocation, as well as the approval of expenses and procedures of budgeting.
6. The Finance Regulation shall extend to the operations of all Students' Union Executive Committee, Academic Constituent Bodies and Non-Academic Constituent bodies.

Financial Year

7. The Financial Year of the Union shall begin on the 1st day of April of each year and end on the 31st Day of March of the following year.
8. The Financial Year is divided into two terms.
 - (1) Term 1 begins on the 1st day of April of the Financial Year and ends of the 31st Day of August of that Financial Year.
 - (2) Term 2 begins on the 1st Day of September of the Financial year and ends on the 31st Day of March of that Financial Year.

Management of Finance

9. Treasurers of the constituent clubs or individual non-constituent clubs are responsible in meeting the deadline stipulated by the Honorary Financial Secretary, or anyone holding a similar position in their respective clubs, for the submission of claims for reimbursements by the Finance Office.

Presentation of Statements

10. The Honorary Financial Secretary, or anyone holding a similar position in each constituent club of the Council, shall receive from the Finance Office and present the audited Statements of Income and Expenditure, and Statement of Financial Position for the Financial Year at their respective Annual General Meeting.

Financial Elements arising from Operations

11. Pursuant to Section 7, the audited Statements of Income and Expenditure shall be prepared based on the concepts outlined in this Finance Regulation.
12. The audited Statements of Income and Expenditure of the Union shall be prepared on the accrual basis of accounting. Accrual accounting depicts the effects of transactions and other events and circumstances on the Union's economic resources and claims in the periods in which those effects occur, even if the resulting cash receipts and payments occur in a different period.
13. The financial elements involved in reporting the Statements of Income and Expenditure and Financial Position which directly related to the operations of the Union are assets, liabilities, income and expenditure.
14. For purposes of Section 10, assets, liabilities, income and expenditure are defined as follows:
 - (1) An asset is a resource controlled by the Union as a result of past events and from which future economic benefits are expected to flow to the Union. There are two types of assets:
 - (a) Fixed assets are tangible items that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; or expected to be used during more than one period; and/or of value of Singapore Dollars Two Thousand or more.
 - (b) Inventory are assets held for sale in the ordinary course of business or those in the form of materials or supplies to be consumed in the production process or in the rendering of services, and shall consist of elements listed at their transaction prices excluding any refundable taxes, trade discounts and rebates.
 - (2) A liability is a present obligation of the Union arising from past events, the settlement of which is expected to result in an outflow from the Union of resources embodying economic benefits.
 - (3) Income shall include elements that result in an increase in economic benefits of the Union during the accounting period in the form of inflows or enhancements of assets or decreases of liabilities.
 - (4) Expenditure shall include elements that that result in a decrease in economic benefits of the Union during the accounting period in the form of outflows or depletions of assets or incurrences of liabilities. This shall include resources sacrificed in the ordinary course of operation in the generation of more income.
 - (5) In determining the monetary amounts at which the elements pursuant to Sections 10 and 11, all assets, liabilities, income and expenditure shall be measured based on Current Value which reflects the most economic cost of an asset or of its equivalent productive capacity or service potential.

Income of the Union

15. Income shall take on the definition laid out in Section 11(3) above, and would include any sponsorships or grants provided by the Students Affairs Office, or by any corporate, governmental or external organisations.
16. All fees and subscriptions shall be paid direct by Union members to the Office of Finance of the University.
17. Any income received by the Executive Committee, any of its committees, or any constituent club shall be paid by the Honorary Financial Secretary, or anyone holding a similar position in their respective clubs, to the Finance Office to be credited to the appropriate account.
18. There shall be two fees payable by Union Members – entrance fee and subscription fee.
 - (1) The entrance fee is the one-time fee payable by Union Members. The entrance fee of the Union shall be Singapore Dollars Ten Only (subject to prevailing GST rate) for each member.

- (2) The subscription fee is the annual fee payable by Union Members. The subscription fee of the Union shall be Singapore Dollars Twenty-Four Only (subject to prevailing GST rate) for each member.
- (3) There shall be no refund of any such entrance fee or subscription which has been paid.

Budget of the Union

19. The budget of the Union, for the periods from 1st October to 31st March and from 1st April to 30th September, shall be considered and endorsed by the Council and submitted to Student Affairs Office.
20. The budget of the Union shall refer to the budgets of the Executive Committee and any other committee under the Executive Committee.
 - (1) However, for the purposes of the allocation of subscription fees, it shall also refer to the budgets of the individual Constituent Clubs to the extent that the allocation of subscription fees affects these Clubs' budgets.

Allocation of Entrance Fees

21. The entrance fees shall be allocated to the Reserved Fund.

Allocation of Subscription Fees

22. The subscription fee collected shall be apportioned as: One-third of the total to the Students' Union Executive Committee, one-third of the total to the Academic Constituent Bodies, and one-third of the total to the Non-Academic Constituent Bodies.
 - (1) The breakdown of subscription fees to each Non-Academic Constituent Bodies shall be determined by the Council.

Reserves of the Union

23. Reserves of the Union consist of the Accumulated Fund and Reserved Fund.
24. The use of the Accumulated Funds shall only be for the purchase of Fixed Assets pursuant to Section 11(1)(a) above.
 - (1) The use of the Accumulated Funds for other uses other than the purchase of Fixed Assets shall be subjected to approval from the Student Affairs Office and Office of Finance, by way of a formal written request.
 - (2) The Union shall seek approval for purchase of fixed asset(s) from Student Affairs Office. Purchase of fixed asset must be done through Student Affairs Office whom shall call for quotations or tenders to determine the most competitive price. Student Affairs Office shall raise purchase requisition for approval and issue of purchase order and shall act as the custodian of fixed assets.
25. The use of the Reserved Funds may be for proposals that are sustainable and in the interests of the students.
 - (1) Any member who wishes to use the reserved funds may propose to the Council for such use and sought for approval based on an ordinary resolution.
 - (2) Upon approval by the Council, the proposer would have hand in a formal written request to the approving authority of the University Management for the use of the reserved funds.
26. For the purposes of Section 21(2), such quotations and tenders include the following, where procedures to be complied with are as stated:
 - (1) In the event where the value of a large purchase is less than \$4,000, it is deemed as a small-value purchase, and the purchase can be made so long as the Honorary Financial Secretary, or anyone holding a similar position, is informed, and at least three quotations are obtained with the provision of the reason for the ultimate choice of supplier.

- (2) In the event where the value of a large purchase is between \$4,000 and \$125,000 inclusive, it is deemed as an invitation-to-quote (ITQ), and the the Honorary Financial Secretary, or anyone holding a similar position, is to be informed and to assist in the purchase, as any of such purchases must be made through the Students Affairs Office, and payment would be made directly from the office to the supplier.
- (3) In the event where the value of a large purchase is more than \$125,000, it is deemed as an invitation-to-tender (ITT), where the purchase cannot proceed until further advice is obtained from the Honorary Financial Secretary, or anyone holding a similar position, in relation to the stated purchase.

Expenditures

27. Expenses shall take the definition laid out in Section 11(4) above.
28. All bills of expenditure of the Union and any of its committees, properly incurred in accordance with the approved budget, shall be submitted to the Honorary Financial Secretary or the appointed Executive pursuant to Section 6 above, who shall endorse and submit them, countersigned by the President of the Union, to the Office of Finance for payment.
29. Any application for special or supplementary grant for expenditures shall be subject to be endorsed by the Union Council and shall be submitted by the Honorary Financial Secretary to the approving authority of the University Management for approval.

Auditing of Accounts

30. The Auditors of the Union's annual accounts shall be the auditors appointed by the University for the University's annual accounts or such other auditor as may be appointed annually by the University Council or the President of the University in consultation with the Auditor-General.
31. The fees for audit of the Union's annual accounts shall be met from the Union's funds.

Other Financial Procedures

32. The Honorary Financial Secretary may from time to time, on the advice of the Executive Committee and on behalf of the Council, lay down new financial procedures for the Union, its Constituent Bodies, Standing Committees, other Committees and any other Union entities.