



McMaster University Marching Band

Bylaw 1. Financial Regulations



This document outlines the processes of fiscal duties of the McMaster Marching Band. All policies within this document will apply to the Executive Committee electoral terms as defined in the McMaster Marching Band Constitution Section 8.

1. Authority and Schedule

- 1.1. Two-thirds of the Executive will be sufficient to adopt the budget. The budget will be prepared by the Finance Director, in consultation with the Administrative Director, and presented to the Executive no later than May 31st of each fiscal year. No moneys may be spent until the budget is adopted.
- 1.2. Two-thirds of the Executive will be sufficient to delegate signing authority to:
 - 1.2.1. The Finance Director;
 - 1.2.2. The Administrative Director;
 - 1.2.3. No more than one additional Executive officer.
- 1.3. The Finance Director and another signing authority will be sufficient to verify that any transaction is consistent with the powers and limitations detailed in this bylaw.

2. Structure

- 2.1. The Band will hold a capital fund, an operating fund, and a fixed petty account.

3. Expenditures

- 3.1. Once the budget is adopted, the following will govern expenditures:
- 3.2. The Finance Director may spend moneys from any operating line, provided that the Finance Director may delegate spending power:
 - 3.2.1. Of less than \$100 per line:
 - 3.2.1.1. To any Executive officer;
 - 3.2.1.2. To any member, with approval by a majority of the Executive.



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3.2.2. Of more than \$100 per line:

3.2.2.1. To any Executive officer, with approval by a majority of the Executive;

3.2.2.2. To any member, with approval by two-thirds of the Executive.

3.3. The Finance Director may spend moneys from any capital line, provided that the Finance Director will require per instance:

3.3.1. Approval by a majority of the Executive to spend more than \$1000 but less than \$5000;

3.3.2. Approval by two-thirds of the Executive to spend more than \$5000 but less than \$10,000;

3.3.3. Approval by a majority of the Membership to spend more than \$10,000 but less than \$20,000;

3.3.4. Approval by two-thirds of the Membership to spend more than \$20,000.

3.4. The Finance Director will consult the Administrative Director and recommend to the Executive at the budget meeting the delegation of spending powers for each fiscal year.

4. Reallocations

4.1. Once the budget is adopted, the following will govern reallocations:

4.1.1. The Finance Director may reallocate moneys from any operating surplus to operating lines, with approval by the Administrative Director, provided that no reallocation may cause an operating deficit;

4.1.2. A majority of the Executive will be sufficient for the Finance Director to reallocate moneys from any operating line to another operating line;

4.1.3. A majority of the Executive will be sufficient for the Finance Director to reallocate moneys from any capital line to another capital line;

4.1.4. Two-thirds of the Executive will be sufficient for the Finance Director to reallocate moneys to or from the capital fund to any capital line, provided that no



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reallocation may cause a capital deficit unless sufficient funds exist in an operating surplus and are first transferred to balance the account.

5. Transfers

5.1. The Finance Director may transfer moneys:

5.1.1. From the operating fund to the capital fund with approval by a majority of the Executive;

5.1.2. From the capital fund to the operating fund with approval by two-thirds of the Executive;

6. Banking

6.1. The Band will keep its funds on deposit in a savings account, provided that the Finance Director may transfer moneys to and from the Band's savings and chequing accounts as required to fulfill the budget.

7. Borrowing

7.1. The Band may not borrow moneys;

7.2. Two-thirds of the Executive will be sufficient to authorize the use of expense cards, provided that no balance may be carried from month-to-month. The use of credit accounts will be strictly monitored by the Finance Director and credit privileges may be rescinded by the Finance Director or the Administrative Director.

8. Investing

8.1. The band may only invest moneys in any domestic investment which guarantees the principal invested, such as treasury bills, government bonds, guaranteed investment certificates, guaranteed interest options, and segregated funds. The Band will not pay front-end loads or deferred sales charges.

9. Notice



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- 9.1. All motions requiring approval of two-thirds of the Executive will require no less than three (3) complete calendar days of notice prior to the vote;
- 9.2. All motions requiring approval of the Membership will require no less than seven (7) complete calendar days of notice prior to the vote;
- 9.3. Unanimous agreement by the Executive is sufficient to waive notice requirements to the Executive;
- 9.4. Two-thirds of the Membership will be sufficient to waive notice requirements to the Membership.
- 9.5. Notwithstanding the foregoing, the Finance Director may authorize an emergency expenditure, reallocation, or transfer with consent by the Administrative Director, provided that any emergency action will be subject to ratification by the Executive or Membership pursuant to this bylaw.

10. Reporting

- 10.1. The Finance Director will provide:
 - 10.1.1. Monthly statements to the executive;
 - 10.1.2. Yearly statements to the membership.
- 10.2. The Finance Director will maintain a petty cash log;
- 10.3. All reports, statements, and budgets will be prepared according to Generally Accepted Accounting Principles (GAAP).