

## Part 1. Interpretation

### 1.1. Interpretation

- 1.1.1.** In these regulations, unless the contrary intention appears, all words and expressions have the same meaning as they have in the constitution of the Clubs & Societies Council, and
- (i) “Audit Period” means a 6-month period from either 1 January to 30 June; or from 1 July to 31 December;
  - (ii) “Audit Guidelines” means the guidelines provided to Auditors, as amended by the Executive from time to time;
  - (iii) “Audit Package” means a package of financial forms to be completed by Clubs for audit, as amended by the Executive from time to time;
  - (iv) “Auditor” means a person employed by MSA to audit the books of account of Clubs;
  - (v) “C&S Receipt Books” means the official uniquely numbered books allocated for individual Club use to record income;
  - (vi) “Demotion” means being demoted, as defined in the C&S Affiliation Regulations;
  - (vii) “EFT” means Electronic Funds Transfer;
  - (viii) “Head Auditor” means the senior Auditor employed by MSA to audit the books of account of Clubs;
  - (ix) “POS” means Point of Sale; and
  - (x) “Subscriber” means a current subscriber of the Monash Student Association MSA Card
- 1.1.2.** These regulations must be read in conjunction with the C&S constitution.

## **Part 2. Financial Operations**

### **2.1. Financial Management**

- 2.1.1.** Each Club must keep proper records of all its financial transactions according to the system of accounting prescribed by the Executive. The prescribed system of accounting includes requirements that
- (i) all Club expenses be properly recorded and accounted for;
  - (ii) all Club income be properly recorded and accounted for;
  - (iii) all Club expenses be pre-approved by a resolution of the Club or its committee at a quorate meeting, and that the approval be recorded in the minutes of the meeting;
  - (iv) the Club does not incur a debt when there are reasonable grounds to expect that the Club will not be able to repay the debt;
  - (v) the Club does not have unbanked income at the end of an audit period for two consecutive audit periods; and
  - (vi) all Club financial documents, including, but not limited to, audits, banks statements, cheque books, deposit books and minutes, be kept for at least 7 years.
- 2.1.2.** The treasurer of each Club shall be responsible for the correct management and control of the Club's finances, according to the system of accounting prescribed by the Executive. Ultimate responsibility for the management of Club funds shall nevertheless rest on the full committee of the Club.

### **2.2. Bank Accounts**

- 2.2.1.** Each Club must operate through a bank account held at a bank located on Clayton campus, unless otherwise authorised by the Executive. At least 3 signatories must be registered for the account, two of whom must be the Club President and Club Treasurer. The remaining signatory must be either the Club Secretary or Vice President. Each withdrawal must be authorised by at least 2 signatories.
- 2.2.2.** Clubs may receive money deposited into their account electronically.
- 2.2.3.** Clubs may pay for goods and services by Club cheque or EFT from their account.
- 2.2.4.** Clubs may electronically transfer funds from their primary account to a linked investment account which has been pre-approved by the Executive.
- 2.2.5.** Clubs must not withdraw cash from their account.
- 2.2.6.** Clubs may use international wire transfer to facilitate safe and secure payments overseas.

- 2.2.7.** Subject to prior C&S approval, Clubs may draw a bank cheque to pay for pre-approved goods and services in lieu of a Club cheque provided all the documentation (eg. bank transaction slip) is included in the Audit submission.
- 2.2.8.** Club applications for grants will be considered by the Executive in accordance with the C&S Grants Regulations and paid by Electronic Funds Transfer (EFT).

### **2.3. Differential Pricing**

- 2.3.1.** Clubs must set different membership fees for Subscribers and non-Subscribers.
- 2.3.2.** Clubs must impose a surcharge of \$5 on all non-Subscribers who seek membership, even if no membership fee is charged to subscribers.
- 2.3.3.** In exceptional circumstances, where a Club makes a written request, the Executive may, in its absolute discretion, grant an exemption from §2.3.1-2.3.2

### **2.4. Manual Receipting**

- 2.4.1.** Clubs must only use official C&S receipt books which have been allocated to their Club by a C&S staff member.
- 2.4.2.** Clubs must submit all C&S receipt books in the relevant Audit submission period subject to §2.4.4 and §2.4.6.
- 2.4.3.** Clubs must use the appropriate method of receipting income such that;
- (i) Official C&S receipt books are used to record any income received in cash or by EFT; or
  - (ii) Ticket stubs may be used for selling tickets for a performance; or
  - (iii) Cash registers may be used if prior approval has been given by the C&S Executive to record any income received in cash or by EFT.
- 2.4.4.** Membership income must only be recorded using an official C&S receipt book, approved Cash register or other approved POS system.
- 2.4.5.** Where the Club membership charge is \$0, Clubs must enter the member into the C&S register of members database to record the date of the membership sign-up in lieu of issuing a receipt.
- 2.4.6.** Cash donations must only be recorded using an official C&S receipt book and be signed by the Club Treasurer and countersigned by another Executive committee member to show that the donation was counted with a witness.

- 2.4.7.** Where a Club is selling consumable items (such as food or drink) for \$5 or less per item, Clubs may write a single receipt at the end of the day that accounts for the total sales from the consumable items sold. If a Club writes a single receipt, this receipt must be signed by the Club Treasurer and countersigned by another Committee member.
- 2.4.8.** A Club's failure to account for all allocated C&S receipt books may lead to a Fail result for the relevant Audit submission and is subject to §3.6.4.

## **2.5. Online Receipting**

- 2.5.1.** Clubs may receive income via Electronic Funds Transfer (EFT) provided that;
- (i) The payer quotes their full name and the corresponding invoice number generated by the Club in their payment reference; or
  - (ii) An official third party (eg, Eventbrite) has been used and a transaction summary can be printed out for reconciliation; or
  - (iii) A Remittance Advice is received.
- 2.5.2.** Clubs may receive income from sponsorship via Electronic Funds Transfer (EFT) provided that an electronic receipt (eg, produced in Word or Excel) or manual receipt is sent to the sponsor and a copy of the receipt is provided in the audit submission
- 2.5.3.** Clubs may receive income from credit card payments, or other similar payment methods (eg, Apple Pay), provided that funds are deposited solely into the Club's account from a POS system approved by the C&S Executive (eg, Square).

## **2.6. Online Payments**

- 2.6.1.** Clubs may make payments via Electronic Funds Transfer (EFT) provided that;
- (i) The expenditure has been pre-approved by the Club or committee; and
  - (ii) A minimum of 2 authorised signatories sign in to online banking to authorise the transfer; and
  - (iii) The payment reference includes a full payment description (eg, Invoice Number or Payment Reference).

## **Part 3. Club Audits**

### **3.1. Submission and Deadlines**

- 3.1.1.** Clubs must submit their books of account to C&S for audit twice annually after the end of each Audit Period, in the manner specified in the Audit Package.
- 3.1.2.** The submission deadline for audits will be close of business on the Tuesday of the second week of classes in each semester, unless the Executive resolves otherwise.
- 3.1.3.** The Executive must serve at least 1 month's Written Notice of the due date for audit submissions on every Club required to submit an audit.
- 3.1.4.** The Executive must make the Audit Package available at least 1 month before the due date for audit submissions.
- 3.1.5.** Each Club's Audit Package must be submitted for its final assessment by the Club's Auditor by the final audit deadline set by the Executive.
- 3.1.6.** The Executive must serve at least 2 weeks' Written Notice of the final audit deadline on every Club required to submit an audit.
- 3.1.7.** Where a Club's books of account are regularly audited by an independent external auditor, the Executive may grant an exemption from submission of those books to the C&S audit process. In such cases, the Club must submit a copy of each external audit report to the C&S President and C&S Manager.

### **3.2. Audit Process**

- 3.2.1.** The Auditors will assess the Audit Packages of each Club independently, according to the Audit Guidelines.
- 3.2.2.** Subject to adherence to due dates, each Club will be afforded up to 2 resubmissions of its Audit Package in order to rectify problems identified by its Auditor.
- 3.2.3.** A Club will be notified by its Auditor of the deadline for any resubmission, in accordance with the Audit Guidelines.
- 3.2.4.** Each Auditor will make themselves available to Clubs at specified times, during normal working hours, to be consulted on issues relating to Club audits.

### **3.3. Audit Results**

- 3.3.1.** A Club's Auditor will, at their discretion, and in accordance with the Audit Guidelines, award a 'Full Pass'; a 'Qualified Pass 1 (QP1)', a 'Qualified Pass 2 (QP2)' or a 'Fail' to a Club's books of account, after allowing the Club to rectify problems identified in the first and second assessment of its Audit Package.
- 3.3.2.** A Full Pass result will be awarded to a Club's books of account if the Auditor judges the books to fully meet standards of management and record keeping as prescribed in the Audit Guidelines.
- 3.3.3.** A Qualified Pass 1 result will be awarded to a Club's books of account if the Auditor judges the books to substantially, but not fully, meet standards of management and record keeping as prescribed in the Audit Guidelines.
- 3.3.4.** A Qualified Pass 2 result will be awarded to a Club's books of account if the Auditor judges the books to substantially, but not fully, meet standards of management and record keeping as prescribed in the Audit Guidelines, and also have one stand-alone unacceptable transaction error deemed reasonable by the Head Auditor.
- 3.3.5.** A Fail result will be awarded to a Club's books of account if the Auditor judges the books do not substantially meet standards of management and record keeping as prescribed in the Audit Guidelines.

### **3.4. Audit Requirements**

- 3.4.1.** To receive a 'Full Pass' result for an audit, a Club must submit
- (i) its constitution;
  - (ii) its Minutes, detailing prior approval of all expenditure;
  - (iii) a list of its current office bearers;
  - (iv) its cheque book(s);
  - (v) its deposit book(s);
  - (vi) its expenditure receipts;
  - (vii) its income receipts;
  - (viii) its transaction list from any point of sale system;
  - (ix) its list of deposits to the club bank account from any point of sale system;
  - (x) its bank statements;
  - (xi) its petty cash box (if applicable); and
  - (xii) all forms from the Audit Package, completed.

### **3.5. Audit Guidelines**

- 3.5.1.** Auditors will be issued with up-to-date copies of the Audit Guidelines. These guidelines assist auditors in assessing Club Audit Packages, and facilitate consistent assessments for Clubs.
- 3.5.2.** The Audit Guidelines are guidelines only, and Auditors should consult the MSA Finance Manager or C&S Manager for clarification of any matters contained therein.

### **3.6. Audit Misconduct**

- 3.6.1.** Being awarded a Qualified Pass 1 result for an audit after being awarded a result other than a Full Pass in the previous Audit Period is an act of misconduct, and carries
- (i) a penalty of deregistration if a result other than a Full Pass was awarded for the two previous Audit Periods; and
  - (ii) a penalty of Demotion for 12 academic weeks otherwise.
- 3.6.2.** Being awarded a Qualified Pass 2 result for an audit is an act of misconduct, and carries a penalty of attendance at a Treasurer workshop and an Audit workshop for Club President and Treasurer, subject to §3.6.3.
- 3.6.3.** Being awarded a Qualified Pass 2 result for an audit after being awarded a result other than a Full Pass in the previous Audit Period is an act of misconduct, and carries
- (i) a penalty of deregistration if a result other than a Full Pass was awarded for the two previous Audit Periods; and
  - (ii) a penalty of Demotion for 12 academic weeks otherwise.
- 3.6.4.** Being awarded a Fail result for an audit is an act of misconduct, and carries a penalty of deregistration.
- 3.6.5.** Submitting books of account for audit late by more than 15 days is an act of misconduct and carries a penalty of
- (i) Demotion for 12 academic weeks, if late by 30 days or less; and
  - (ii) deregistration otherwise.
- 3.6.6.** Lateness of audit submissions will be counted based on the sum of late days across all submission deadlines, including resubmissions.