

## Study Association Sarphati

### Financial Rules of Procedure

*As adopted at the General Members Meeting on February 17<sup>th</sup>, 2020.*

*Please note: as Study Association Sarphati is situated in The Netherlands, where English is not an official language, the documents provided in Dutch are the official ones. To accommodate anyone who might not have sufficient knowledge of the Dutch language, this English translation is also provided. If you have any questions regarding the translated document, please contact the board of Study Association Sarphati.*

#### 1. General provisions

- 1.1 Sarphati is the study association associated with the programme Human Geography and Planning, which belongs to the Faculty of Social and Behavioural Sciences at the University of Amsterdam.
- 1.2 These Financial Rules of Procedure are based on the Internal Rules of Procedure and the Statutes as described in the Memorandum of Association. The Financial Rules of Procedure serve as an elaboration of the provisions already laid down in the Internal Rules of Procedure and the Statutes and is subordinate to the Statutes.
- 1.3 An amendment to the Financial Rules of Procedure can only be made by the General Members Meeting, the convening of which has been paired with a notice that an amendment to the Financial regulations will be proposed.
- 1.4 The verbatim proposal to amend the Financial Rules of Procedure must be made available for inspection by members at least seven days before the General Members Meeting. The proposed amendment will be mentioned in the notice convening the General Members Meeting.

#### 2. Financial accountability

##### 2.1 The board

The board is and remains ultimately responsible for the association's finances at all times. In accordance with the Statutes of the association, the board shall ensure that the members can always keep themselves informed of the financial situation of the association and of its rights and obligations.

##### 2.2 The treasurer

Within the board, the treasurer has an executive role with regard to the finances of the association. The treasurer is accountable for their financial management.

##### 2.3 The deputy treasurer

The board elects a deputy treasurer from their midst at the start of the financial year. In the event that the treasurer becomes (temporarily) unavailable, the deputy treasurer will take over their duties together with the chair of the Audit Committee for up to one month. In case it is desirable or necessary to extend this period by one further month, a General Members Meeting must be called no later than one week before the first one-month term expires. The regular duties of the deputy treasurer include checking and supporting the treasurer. The

deputy treasurer should be given monthly updates by the treasurer on the financial health of the association and the general financial affairs.

### 3 Audit Committee

#### 3.1 Composition

And Audit Committee is formed every year. This committee consists of at least three people, at least one of which is a former treasurer of Study Association Sarphati. Because of the supervisory function of the Audit Committee with regard to the board, sitting board members cannot sit on the Audit Committee.

#### 3.2 Auditing finances

The Audit Committee shall audit the finances of the association as often as it deems necessary, but at least once prior to the Half-Year General Members Meeting. The aim is to conduct an audit at least three times a year. This audit involves examining the income and expenses, checking the books and (if applicable) any cash in the till. In addition, the Audit Committee checks the budgets and realisations of activities with a budget of €1000,- or more. The audit committee serves as a supervisor for the treasurer and has the responsibility to check the boards actions on legality. If the treasurer is not functioning adequately, de Audit Committee can hold them to account, but also has to help the treasurer bring the finances back under control.

#### 3.3 Financial advice

The Audit Committee can give solicited and unsolicited advice to the boar on the finances of the association. The advice of the Audit Committee is not binding. If the board decides not to follow the advice of the Audit Committee, this must be reported at the next General Members Meeting.

#### 3.4 General Members Meeting

Before financial documents – the financial policy plan, financial (half-year) report and (re)budget – are made available for a General Members Meeting, they have to be checked by the Audit Committee. The Audit Committee also checks whether these documents are published on the website in a timely manner. The Audit Committee reports its findings during the General Members Meeting and gives advice (in writing) on whether or not to approve these documents.

### 4 Committee treasurers

#### 4.1 Appointment

Within each committee with its own budget, at least one of the committee members must be appointed as committee treasurer.

#### 4.2 Duties

A committee treasurer keeps track of the income and expenses of the committee and keeps the committee chair informed in this regard. A committee treasurer is also responsible for preparing a budget and realization of all activities organized by the respective committee. A committee treasurer ensures that the budget for an activity is presented to the treasurer no later than two and a half weeks in advance of the opening of sign-ups for the activity. For committees organizing trips or weekends, a different deadline applies. Their budgets have to be presented no later than two weeks in advance of the announcement of the price of the activity to the members. The realization of an activity must be presented to the treasurer no later than two weeks after the activity.

#### 4.3 Authority

The committee treasurer has authority within their committee over the budget of the committee. However, the committee treasurer is always subordinate to the treasurer of the board and will therefore have to conform to decisions by the treasurer. Also, a committee treasurer does not have signing authority. All contracts with financial value must be signed by the treasurer. If a committee wishes to make expenses, the treasurer has final control over these expenses. The committee treasurer must always present them to the treasurer. The latter will approve or reject the expenses. If the committee treasurer does not comply with any of the aforementioned rules, conducts financial mismanagement, or otherwise fails to perform their duties properly, the board retains the right to relieve the committee treasurer of their duties on advice of the treasurer or Audit Committee.

### 5 Bank accounts and the till

#### 5.1 Current account

The business current account of the association is in the name of Studievereniging Sarphati and is held at the ING under the IBAN number NL50 INGB 0004 5144 70. The treasurer ensures that there is never structurally less than €500,- or more than €1250,- on the current account. To this end, the treasurer can use the financial resources of the savings account.

#### 5.2 Savings account

The business savings account of the association is in the name of Studievereniging Sarphati and is held at the ING under the IBAN number NL50 INGB 0004 5144 70. Interest is paid annually. To receive as much interest as possible, it is important to have as much money as possible in the savings account throughout the year.

#### 5.3 Till

During the financial year there is a maximum amount of €150,- in cash in the till, for a maximum time period of two weeks. For security reasons, the aim is not to have any cash in the till at all times. If any action is conducted with the till, a second person besides the (deputy) treasurer is present at all times.

### 6 Payment options

#### 6.1 Bank cards

The association has a total of two debit cards. The primary debit card is issued in the name of the treasurer. The secondary card is issued in the name of the secretary. The secondary debit card may only be used by the secretary after approval from the treasurer. The secretary takes care of the debit card and (if applicable the secondary ING Business Card. Issuing this debit card and credit card to other persons without written permission from the treasurer is therefore not permitted. In addition, in the event of loss or theft of the secondary debit card or secondary credit card, responsibility will lie in the first instance with the secretary. Besides the debit cards, the association has a maximum of two ING Business Cards with a limit of €5000,-. The program management of these cards is always in the name of the treasurer. If the treasurer chooses to apply for a second ING Business Card, it must be in the name of the secretary. If a member other than the secretary needs to make use of the ING Business Cards, this is only allowed with written permission from the treasurer. If the Business Card and the primary debit card are not in the possession of the treasurer, they have to be able to assure the members that he can ensure the security of the cards at all times.

## 6.2 Equity

The equity serves first and foremost as a financial buffer for the association. To this, the equity must be at least 10% of the budget at all times. This guarantees that the association can continue to function for at least some time in the event of severe financial setbacks. In addition, the equity may be used for (long-term) investments. If the board wants to claim amounts larger than €1000,- from the equity, a plan must be presented for approval to the General Members Meeting. If budget items have a positive balance at the end of the financial year, this money automatically flows through to the equity. Items with a negative balance reduce the equity. An exception to this is the post "Introduction Week Activities". The basis of this exception can be found in the fact that this budget item exists on behalf of and is paid for by the Human Geography and Planning program.

## 6.3 Unforeseen costs

The association budget item for unforeseen costs should amount to approximately 0.5% of the entire budget. Unforeseen costs can be absorbed by this item throughout the year. At the Half-Year General Members Meeting, the budget item for unforeseen costs can be reduced to 0.25% of the entire budget, if the budgeted association income is on track.

Negative results for committee activities that are a direct consequence of expenses at the committee level which have not been authorized by the treasurer, will not be offset by the unforeseen costs budget item and are the responsibility of the committee, unless decided otherwise at the General Members Meeting.

## 6.4 Reservations

At the General Members meeting, it may be decided make a reservation in the budget. Making a reservation in the budget involves giving permission to use funds from the equity during a financial year other than the current financial year. Only by way of exception, it can be decided at a General Members Meeting to make a reservation from the equity. All reservations during a financial year should be included in the annual financial report. If a reservation is made for a period further in the future than the next financial year, this reservation should also be included in the Financial Rules of Procedure of Study Association Sarphati.

Currently, the association has one long-term reservation:

- Each financial year an amount of at least €1000,- is reserved for the next lustrum year.

## 6.5 Re-budgeting

The possibility of re-budgeting money can only take place at the General Members Meeting. Both the board and the members can present a proposal for re-budgeting here. To this end, the board must present the financial state of affairs at every General Members Meeting. As with the budget at the beginning of the year, the Audit Committee should advise (in writing) on the re-budget plan. A possible revision of the budget item for unforeseen costs should be reconsidered at each General Members Meeting. The treasurer should take care that the budget item for unforeseen expenses is timely revised so that there is no large surplus or deficit at the end of the financial year. Any unforeseen income will be re-budgeted at the next General Members Meeting.

## 7 Declarations

### 7.1 Filing declarations

A declaration may be filed for expenses incurred for the benefit of the association using a declaration form. Members may submit declarations forms to the treasurer up to one month after the activity the expense was made for. As there are costs involved for the association in

paying out declarations, it is expected of committee members to keep the number of declarations to a minimum. Permission from the treasurer in advance of the declaration is required at all times. The board or committee members can file a declaration for expenses made in order to execute their functions. A declaration can only be considered by the treasurer if a completed (online) declaration form has been submitted. The declaration form must be signed by for approval by the treasurer.

#### 7.2 Payment

Declarations are only payed out after the budget for an activity has been approved. If no proof of payment is present, or if it does not comply with the guidelines, the declaration may be refused. Approved declarations are paid out within 21 days by the treasurer.

### 8 Activities

#### 8.1 Deregistration

Deregistering for an activity without entrance fee is possible up to two days before the start of the activity. The board is free to change the deregistration period for activities, provided this is stated clearly with the sign-up for the activity.

#### 8.2 Activities with a participation fee

If a member deregisters for an activity with a participation fee, the full participation fee will be charged to the member. An exception can be made if another member is willing to participate in the activity and pay the participation fee. The board is not responsible for finding a replacement. If additional costs have to be made for the replacement, such as rebooking tickets, these will be brought in charge to the member who will no longer be participating.

In case of circumstances beyond the members control, the board can decide not to take further action.

#### 8.3 Activities without a participation fee

If a member fails to deregister in time for an activity without a participation fee, a no show policy will be applied. This means that a member will be placed on a grey list for the remainder of the academic year when they failed to deregister for an activity in time three times. When a person is placed on this list, they lose their right to a place on waiting lists or when lots are drawn. This means that if a waiting list is opened for an activity, they will be placed at the bottom of the list. If lots are being drawn, this person will not be included in the drawing process and they will automatically be given the last place on the waiting list.

In case of circumstances beyond the members control, the board can decide not to take further action.

### 9 Debtors

#### 9.1 Payment

Debtors are defined as all (legal) persons who have a payment obligation towards the association. The board may make this payment obligation known by means of a direct debit, e-mail, payment request or sending an invoice.

#### 9.2 Default

If a debtor (in this case a member) does not comply with a payment obligation, the board will apply the following measures:

- a. A reminder of the payment request is sent by e-mail. This e-mail will also indicate that, if the debtor once again fails to comply with the request within 7 days, an attempt will be made to arrange an in-person meeting with the treasurer.
- b. If the debtor does not respond to a personal interview or if during the personal interview no agreement is reached, the board is authorized to place debtor (if they are a member) on a black list.
- c. When a member is placed on a black list, it means that a member is banned from all activities until the full amount has been paid.
- d. Should circumstances beyond the persons control subsequently occur, the board can decide to make an arrangement.

### 9.3 Payment arrangements

If a debtor (in this case a member) makes it known to the treasurer that they are unable to meet a payment obligation, an exception can be made to the steps as set out in article 9.2 by making a payment arrangement. If the agreements surrounding the payment arrangement are not met by the debtor, article 9.2b will immediately come into effect.

### 9.4 Debtors previous financial year

If it is not possible for a debtor (in this case a member) to meet the payment obligation within the association's financial year, the newly incoming board is responsible for ensuring compliance with the payment obligation. The newly incoming treasurer is to contact the debtor in question within the first month of their financial year. The payment obligation is to be met before the end of the calendar year, or a payment arrangement has to have been agreed upon. If the payment request is ignored by the debtor, article 9.2b will immediately come into effect.

### 9.5 Debtors (sponsors)

Different arrangements are made for sponsors. These arrangements are made in coordination with the treasurer and the commissioner for external affairs. The directive is that the amount due must be paid within eighteen months.

## 10 Accountability

### 10.1 Damage

Study Association Sarphati is never liable for damage caused to or by members during activities organized by the association. Any costs incurred as a result of damage caused to or by members during activities, can be recovered from the responsible members by the board. If these members do not accept these costs, article 9.2 will come into effect.

## 11 Final provisions

11.1 The Financial Rules of Procedure serve as a supplement to the Statutes and the Internal Rules of Procedure. In cases not provided for in these three documents, the decision power lies with the board.

11.2 Before a member becomes active and joins a committee, they must have read this document and must have agreed with the articles in these Rules of Procedure in writing.