

FINANCIAL GUIDELINES FOR STUDENTS SOCIETIES, CLUBS & ISC

OBJECTIVE

- To facilitate the Students' Societies in conducting their financial affairs in an organized manner and within available financial resources.
- To brief the office bearers / patrons with the Standard operating procedures and guidelines for organizing various events.

FINANCING AND BUDGET

- A contribution to finance student activities shall be made, at the time of fee payment, by every regular student at an amount approved in the IBA Budget.
- There shall be a dedicated bank account in the name of "IBA Students' Societies" and the total funds contribution will be transferred to said bank account upon finalization of list of enrolled students.
- No refunds are made to students leaving IBA on account of contributions for students' activities once the funds are transferred to dedicated bank account.
- The members of the societies may generate sponsorships, sell the event tickets, make additional contributions, etc. The funds will be generated in the name of IBA Karachi only, via a crossed cheque. The cheque will be deposited immediately in the designated bank account for student societies.
- Each society, at the time of submission of the budget, should indicate
 - the estimated amount to be generated through sponsorship, etc.
 - the amount needed from IBA.
- The Budget shall be allocated to Students' Societies by the Dean / Director IBA.
- The funds allocated to the student society shall only be utilized for purpose / event for which it is approved.
- Extra incentive amount will be given to those societies/clubs at the time of budget allocation that plan to arrange joint/ combined event(s).
- The excess amount of sponsorship or ticket money raised during the year will be carried forward to the next year. The remaining balance of budget contribution from IBA will lapse at the end of the year and credited to Student Welfare Fund.
- The societies/clubs will be allowed to transfer their own budget to other society/club for organizing joint/combined events. All other such requests will be submitted to the Budget Allocation Committee headed by the Dean and Director.

CALENDAR OF EVENTS

- There shall be a calendar of events, prepared by the ISC members, in coordination with the students' societies.
- The calendar of events shall be approved by the Students' Counselor.

FINANCIAL PROPOSAL

- For each planned event, there shall be proposal approved by the Patron.
- The proposal shall be supported with planned funding and expenditure statement for control purposes.
- The statement shall clearly indicate the funding of events i.e. whether to be financed from allocated budget, sponsorships or both.
- To avoid emergency situations, complete proposal shall be submitted to the Finance Department as follows:
 - Up to Rs. 100,000/- - At least Five working days earlier
 - Above Rs. 100,000/- - At least Ten working days earlier

SPONSORSHIPS MANAGEMENT

- Each society shall make maximum efforts in arranging sponsorships as per the approved budget plan.
- The sponsorships / contributions from organizations shall be received via a crossed cheque in the name of IBA Karachi.
- The cheque shall be accompanied with a letter from the donor / sponsor indicating the title of sponsored event along with the sponsorship requirements.
- The office bearers shall be held responsible for complying with the sponsorship requirements.
- MoUs against Financial sponsorships will only be considered valid, if those are printed on stamp paper and are duly signed and stamped by the sponsor and endorsed by the patron.
- The sponsorship shall preferably be received in advance of the event.
- If the funds are not sufficient to meet expenses of an event, then bridge financing approval will be required from Executive Director, which will be considered only upon the joint recommendation of the Patron and Director Finance.
- The payments for sponsored events could only be made once the funds are available.

TICKETS SELLING

- Each society shall make maximum efforts to organize the event within the approved budget / sponsorships arranged by them.
- When the sale of tickets for any event is planned, its proposal shall include proper reasoning about the ticket selling.
- The format of the ticket, its required quantity along with the selected serial numbers and the duration of sale shall be approved by the Patron.
- The work order issued to the printer shall indicate the sequence numbers.
- The work order shall also necessitate keeping the ticket format 'Confidential'.
- All the tickets shall be sequentially numbered.

- Before selling the tickets, all the tickets shall, either be signed, or stamped by the Finance Executive – Students' Societies for its validation.
- The sale of tickets shall be made by the office bearers authorized by the Patron.
- The Cash Received from the sale of tickets shall be deposited in the designated bank account of Students' Societies immediately by the office bearers, i.e. either at the end of the same day or the next working day morning.
- The original deposit slip shall be deposited with the finance department. It is suggested to retain a photocopy of the deposit slips for final reconciliation.
- Once the ticket sale duration is over, the unused tickets shall be cancelled and then submitted with the Finance department and duly reconciled, preferably on the next working day.
- The Finance department representative will assist the office bearers in spot checking of the tickets at the entry gate of the event.

INCURRENCE OF EXPENDITURES

- There will be a list of prequalified vendors for Printing, Catering and other major expense items common to all the societies.
- Procurement will be made only through these vendors on the basis of lowest cost and best quality.
- Exceptions will be allowed in extreme cases with the prior approval of patron & Finance Dept., only when the quoted prices are lower than those submitted by the prequalified vendors.
- In case of Capex purchases the procurement department of IBA will provide services for the procurement according to SOPs of Students Societies. Fixed Assets Record will be maintained by the Finance Department.
- Specific approval from the Executive Director is required in case of fund allocation by any society/club to the student for going abroad for attending conference. Further, if any society/club sponsors the student(s) to attend any conference/workshops/seminars within the country the objective of such conference should be in line with the society's/club's objectives.

EXPENSE MORE THAN Rs. 10,000

- The market cost comparison shall be arranged for such expenditures above Rs. 10,000/-.
- The patron will approve the petty expenses above Rs. 10,000/-.
- For this purpose, the request for quotations (RFQ) shall be sent to the prequalified vendors or to the open market in case the prequalification of such vendors is not done.
- The RFQ shall be comprehensive to meet the exact requirement.
- Three GENUINE Quotations shall be arranged. Fake quotations will not be accepted.
- The market cost comparison statement shall be prepared.
- The lowest vendor shall be selected, if not, the work / purchase order shall indicate the JUSTIFIED reasons for not selecting the lowest vendor.

- The comparative cost statement and the work/purchase order, as per the prescribed formats, shall be signed by:
- the Patron (or by the Students' Counselor in case of ISC),
- the Manager of the Society (or by the Vice President in case of ISC)
- the Treasurer
- and from Finance Department (for Pre-Audit and funds allocation)
- The work / purchase order will be followed after the above, with signature of the below:
- the Patron (or by the Students' Counselor in case of ISC),
- the Manager of the Society (or by the Vice President in case of ISC)
- and from Finance Department representative

FOR CONTRACTS

For hiring ALL CONTRACTUAL services, including musical band a comprehensive contract, including the disciplinary clause, should be signed between IBA and contractor / musical band before hiring services for any student society event. Further, the contractor / musical band should be hired after having brief discussion with the knowledgeable persons in the musical field.

FOR PETTY CASH EXPENSES

- Request for an advance against petty cash expenses shall be signed by the Patron (or by the Students' Counselor in case of ISC).
- The ADVANCE shall be disbursed in the name of Patron ONLY.
- Such request shall be made at least five working days earlier to the requirement.
- It shall contain the list of expenses for which advance request has been made.
- Travelling related to events is only allowed through IBA transport or online transport services i.e. (Uber/Careem/Airlift etc.) subject to the approval of Patron in advance. No reimbursement / adjustment will be allowed except for the aforementioned traveling.
- It is suggested to use the IBA communication facilities required to arrange the event and shall be approved by the Patron. No reimbursement / adjustment will be allowed for such expenses.
- The office bearers shall be responsible for the timely adjustment (within one week from the date of event) of advance issued against expenses.
- Such adjustment will be made by submitting proper receipts along with the statement signed by the Patron (or by the Students' Counselor in case of ISC).

PAYMENT MECHANISM

- All payment requests for expenditures shall be approved jointly by the Patron (or by the Students' Counselor in case of ISC), the Manager of that Society (or by the Vice President in case of ISC) and the Treasurer.
- The total of such payment requests for a particular event shall be within the budget approved for such event.
- Utmost efforts shall be made to make all payments directly to the supplier via a crossed cheque.
- In case of petty items or where cheque payments cannot be made, advance for such petty purchases will be issued to the patrons (with his / her consent).
- The advance disbursement will be subject to adjustment against production of receipts / supports of expenses.
- Payment request shall indicate that the work / procurement has been completed / made satisfactorily.
- The payment request shall be accompanied with the following documents: -
- Invoice from the Supplier with contact details (where applicable GST invoice must also have obtained)
- Work / Payment Order signed by the Patron (or by the Students' Counselor in case of ISC)
- Three quotations along with comparative summary
- It is the responsibility of the office bearers to submit the documents for payment on time for timely payments to the vendors.
- Upon receipt of complete documentation (including sponsorship receipt, where applicable), the payment shall be released within five working days by the Finance department.
- In case off any non-compliance from these financial guidelines the office bearers should be responsible to regularize from the Patron by giving proper justifications, if these justifications are reasonable ONLY then the payment will be released.
- In case of any gross financial irregularity with respect to these guidelines like fake quotation(s), etc. presented with any payment the case will be forwarded and reported to the Director IBA. The Director instructions will be followed in all such cases.

CLOSURE OF THE EVENT

- Upon completion of the event, the Treasurer is required to close that event by submitting receipts and expenditure statement on actual basis.
- Such statement shall indicate savings and approved by the Patron (or by the Students' Counselor in case of ISC).
- All Students society's office bearer will be required clearance certificate from Finance Department before degree issuance.
- Each society financials must be closed before proceeding to next year's budget. The closure documents must bear signature of following personnel to consider it closed;
 - Treasurer
 - Manager
 - Patron

FINANCIAL ADVISORY / AUDIT

1. Director Finance will act as the Financial Adviser to the Students' Societies / ISC and will advise and guide them in their financial matters according to the procedures laid out.
2. The accounts of the Students' Societies shall be maintained in the manner prescribed in the basic financial guidelines as mentioned above.
3. General Manager Finance will get the expenses audited along with audit of IBA's Accounts.