



RULES & REGULATIONS Office of Student Societies

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| Title: Financial Guideline for Students Clubs/ Societies | | |
| Written by: | Office of Student Societies | Issue Date: 4th July 2025 |
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FINANCIAL GUIDELINES FOR STUDENT CLUBS/SOCIETIES

1. Budget Establishment and Utilization

1.1 Budget Creation and Approval

- The Student Clubs/Societies Budget is established based on the Annual Activity Plan approved by the Office of Student Societies (OSS).

There are two primary sources of funding:

- Contribution from Student Activity Charges (part of student fees). All clubs/societies will be allocated an equal budget.**
- Registration or participation fees** - No tickets for commercial events except fundraisers.

1.2 Annual Activity Plan Submission

- Student Clubs/Societies must present their Annual Activity Plan to OSS for approval.
- The plan must clearly indicate if any approved event is generating revenue from Registration/Participation Fee.

1.3 Budget Approval Process

- Event approval requires clearance from the Dean of Student Affairs and International Student Engagement (DSA&ISE), after which the Finance Department will approve the budget
- Funds allocated for a specific event can only be used for that event. Any unutilized portion will lapse at the end of the financial year.
- All Clubs/Societies must operate within their allocated budgets. Expenditures exceeding the *approved* budget will not be entertained.

2. Event Planning and Financial Procedures

2.1 Event Financial Planning and Management

- For each planned event, the Financial Officer must submit the "Online Event Organizing Form" and "Financial Summary" using prescribed templates.
- The submission must be approved by the Patron of the respective society, Finance department, and the DSA&ISE.
- ALL EVENTS OR ACTIVITIES have to end seven (7) days prior to the Final Semester examinations – the only exception will be for the Summer Trip organized by the IBA Adventure Club.

2.2 No Monetary Sponsorships

- **Clubs/Societies will not be permitted to bring in any monetary sponsorships for events or activities.** However, in kind sponsorships (for example, T-shirts, free food, etc.) will be permitted, after prior approval from DSA&ISE

2.3 Financial Plan Approval, Vendor Management, and Processing Timeframe

- **Financial Plan Submission**
 - The Student Club/Society must submit the comprehensive event financial planning documents, including quotations and vendor details, to the Office of Student Societies (OSS) at least 15 working days prior to the event date - **after 15 days, the Financial Plan will not be approved.**
- **OSS Review**
 - OSS will review the submitted financial documents, including quotations, comparative statement, and work order. Within 7 working days of submission, the quotation must be item/product-wise except for outstation student society trip.
 - OSS will then forward the reviewed documents to the Finance Department.
- **Finance Department Review and Approval**
 - The Finance Department will review and approve the financial documents **within 2 working days** after receiving them from OSS, subject to completion of documentation / approvals.
- **Work Order Issuance**
 - Upon Finance Department approval, the Office Bearers will issue the Work Order to the selected vendors within 2 working days from the date of document approval IBA Karachi has the right to cancel the work order at any time and due to any reason.
 - Any quotation exclusive of taxes will not be accepted.
- **Payment Processing**
 - Following approval on the payment documents from the DSA&ISE, the Finance Department will complete the payment processing within 14 working days after all required documents are received.
 - **Payment will only be processed based on the signed and approved work order. The amount (or items) cannot be increased for the event once the work order has been signed and approved. Any additional cost will be borne by the OBs.**

- **Post-Event Financial Reconciliation**

- After the event, the Student Club/Society office bearers must submit a complete financial reconciliation, including all receipts and supporting documentation to the Finance Department within 7 working days from the event date.
- If OBs do not close the financial accounts 7 working days after the event ends, there will be a penalty on ALL OBs, which will include a monetary fine.

3. Cash Handling and Petty Cash Management

3.1 Cash Handling

- Clubs/Societies are prohibited from handling cash. All **revenue** transactions must be through the official E-Commerce Gateway. The details and link have been provided to all clubs/societies.
- **Petty cash will not be allocated for events and activities.** All expenses have to be routed through vendors.

4. Compliance and Reporting

4.1 Transparency in Financial Dealings

- Clubs/Societies must maintain transparency in all financial transactions. Any suspicion of misconduct should be reported to OSS immediately.
- If OSS identifies any financial discrepancy or fraud, strict disciplinary action will be taken against the club/society.

Audit may be conducted from time to time to ensure compliance.

5. Legal and Tax Compliance

5.1 Legal Documentation

- MOUs, agreements, and vendor contracts must comply with legal and regulatory requirements. Documents must be on a legally binding stamped paper where necessary - these will be reviewed by the IBA Legal department – and therefore should be submitted at least 7 working days in advance.

5.2 Tax Compliance

- Clubs/Societies must comply with tax regulations, including withholding tax where applicable.
- All quotations received from vendors must include the tax amount and National Tax Number (NTN).

6. Ethical Conduct and Conflict of Interest

6.1 Conflict of Interest

- Office Bearers must declare any potential conflicts of interest, particularly with vendors. For example, if a student knows the vendor company or has any relation or stake in it, they must inform the OSS team.
- Office Bearers are prohibited from financial dealings with vendors that are owned by a student or student's family member.

6.2 Ethical Conduct

- All financial dealings must be conducted with integrity and in accordance with ethical standards. Misuse of funds will result in disciplinary action.
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11. Revenue Management

11.1 Revenue from Food Vendors/Registration Revenue

- The food vendor must deposit any revenue to the IBA official Club/Society bank account. OBs are not permitted to do any cash handling.

11.2 Registration Revenue

Gateway portal is in process, ICT department is working on it, will update once it is finalized.

12. Additional Controls

12.1 Self-Branding by Vendors

- Vendors are not allowed to engage in self-branding activities during events, like using Logo else penalty will be charged equivalent to 50% of work order amount

12.2 Team Dinners

- Club/Society funds are NOT PERMITTED to be used for team dinners or outings.

Frequently Asked Questions (FAQs)

1. Can two or more Student Clubs/Societies collaborate to arrange a single event?

Yes, IBA encourages collaboration among Student Clubs/Societies to organize joint events. However, please note the following requirements:

- The proposed joint event must be approved by the respective Patrons and the DSA&ISE.
- All Musical Events can ONLY be organized through collaboration with the IBA Music Society (IMS)– moreover, at least 30% of the budget should be given by IMS. Else musical events cannot be held.

2. Can a Student Club/Society raise funds through selling tickets for an event?

NO, IBA prohibits the sale of tickets for commercial events in accordance with the new Excise and Taxation Rules & Policies. However, Student Clubs/Societies may sell tickets only for fundraising events.

3. What happens if OSS receives fewer than three (3) quotations?

- **OSS will only approve expenses after receiving three (3) quotations** to ensure market cost competitiveness.
- For services/products valued at less than Rs. 50,000, only one quotation is required.

4. Will the applicable tax be included in the quoted price by the vendor?

Quotations must include all applicable taxes. Any additional taxes are the responsibility of the vendor.

5. Can currently enrolled students or alumni who graduated within the last 3 years register their companies as vendors for Student Club/Society events?

No, currently enrolled students and alumni who have graduated within the past three (3) years are not permitted to register their companies as vendors for Student Club/Society events.

6. What is the process if an event requires special approvals or permits?

- Any event that requires special approvals or permits must be discussed with and approved by the DSA&ISE before proceeding.
- The Student Club/Society is responsible for obtaining any necessary permits or approvals from external authorities.

7. What is the procedure for handling event revenues?

- Revenues from events, such as ticket sales , must be deposited into the designated IBA bank account through Meezan Bank Gateway only.
- A detailed revenue report must be submitted to OSS along with the financial reconciliation within 7 working days after the event.

8. Are there any restrictions on the types of expenditures that can be claimed?

- Expenditures must be directly related to the event and adhere to the approved budget.
- Expenses not directly related to the event, such as team dinners or personal expenditures, are not permitted.

9. What are the consequences of non-compliance with financial guidelines?

- Non-compliance with the financial guidelines may result in the denial of future funding requests or disciplinary action.
- Repeated violations could lead to dissolution of the club/society.