

Title: Budget Line Definition and Expense Allocation Procedure

Procedure Number: KCFA No. 102B

1. Purpose

This procedure establishes standardized definitions and allowable expenditures for each budget line to ensure:

- Consistent expense classification
- Transparency and accountability
- Alignment with approved budget allocations
- Improved audit readiness

2. Scope

This procedure applies to all officers, committee members, and individuals authorized to incur or approve expenses on behalf of the organization.

3. General Principles

3.1 Direct Alignment Rule

Expenses must be charged to the budget line that most directly reflects their purpose. The individuals recording or approving expenses must exercise professional judgment.

3.2 Reasonableness Standard

All expenditure must be reasonable and aligned with the Association objectives.

3.3 Documentation Requirement

- All expenses must include receipts and a brief description of purpose.
- Event-related expenses must identify with the event's name and date.

3.4 Non-Allowable Expenses

- Personal expenses
- Alcohol (unless explicitly approved)
- Unsubstantiated or undocumented costs

4. Budget Line Definitions and Inclusions

4.1 Membership Fees

Includes:

- Monthly membership fees collected from members in accordance with 7.03 (1) of the KCFA bylaws.
- Monthly union dues collected from members in accordance with 7.03 (2) of the KCFA bylaws.

Excludes:

- Grants or external funding
- Interest income

4.2 Memberships and Affiliation

Includes:

- Required affiliation fees paid to Alberta Colleges & Institutes Faculties Association (ACIFA)
- Membership Fees payable to Canadian Association of University Teachers
- Expenses for ACIFA's annual silent auction

Excludes:

- Local administrative or operational costs

4.3 ACIFA Defense Fund

Includes:

- Contributions to provincially administered defense funds (e.g., via ACIFA)

Excludes:

- Direct legal expenses (see Dispute Resolution)

4.4 Member Engagement and Recognition

Includes:

- Modest tokens of appreciation for current and former committee members
- Recognition items (e.g., gift cards, plaques, small gifts)
- Materials and supplies for faculty events
- Meals, snacks, and refreshments
- Event-related costs (venue, set-up, minor equipment)

- Branded items or “swag” for events (e.g., t-shirts, mugs, promotional items)
- Costs associated with:
 - Social events
 - General meetings
- Faculty gatherings (on-campus or off-campus)

Excludes:

- Event-related food or meeting costs (see Meals/Meetings or Faculty Engagement)
- High-value or personal gifts
- Negotiation-related events

4.5 Operational Meetings

Includes:

- Food and beverages for:
 - Executive meetings
 - Committee meetings (non-engagement focused)
 - Working sessions
 - Off-campus Meeting with faculty members
 - Off-campus business meetings
- Light refreshments tied directly to operational meetings

Excludes:

- Social or engagement-focused events (see Faculty Engagement)
- Travel costs for attending meetings
- Large-scale gatherings or celebrations

4.6 Collective Bargaining

Includes:

- Costs related to collective bargaining processes:
 - External consultants or ACIFA LRO expenses
 - Legal advisors (specific to negotiations)
 - Meeting costs directly tied to negotiations
 - Meals for Negotiation Meetings
 - Materials (i.e. books or manuals) related to negotiations
 - Supplies related to negotiations (binders for committee members, stationary items, etc.)
 - Training tied to Negotiations
 - Travel tied to Negotiations

Excludes:

- General legal disputes (see Dispute Resolution)
- Routine administrative expenses

4.7 Dispute Resolution

Includes:

- Legal fees and consultations
- Travel related to formal grievance hearings
- Training related to dispute resolution
- Materials (i.e. books or manuals) related to dispute resolution
- External advisory services related to disputes

Excludes:

- Negotiation-specific legal work
- Defense fund contributions
- Arbitration and mediation costs

Note: All costs associated with arbitration and mediation hearings shall be funded by the Legal and Arbitration Reserve, as established under Finance Policy 201.

4.9 Operations and Administration

Includes:

- Insurance premiums for Errors and Omissions and other insurance plans
- Workers' Compensation benefits premiums
- Office Equipment (computer, printer, etc.)
- Office supplies and general operational materials
- Software subscriptions and IT services
- Banking charges and financial services
- Wages and Benefits
- Miscellaneous operational expenses not attributable to other lines

Excludes:

- Event-related costs
- Legal or dispute-related expenses

5. Review

Executive Council will review this policy as necessary.

Approved on April 20, 2026