



COVENANT UNIVERSITY

ALUMNI ASSOCIATION

FINANCE POLICY

Objective and Authority

The objectives of this policy include:

- Guide the process of budgeting for and financing the activities of the directorates of Covenant University Alumni Association (“CUALA” or “the Association”); and
- Specify the expense authorisation limits.

The Executive Committee is ultimately responsible for the financial management of all activities. The Vice President (VP) Finance, with approval of the President, is authorised to act on the Association’s behalf on financial matters when action is required in advance of deliberations by the EXCO.

Budget

- The budgeting process is guided by the budgeting policy in the Association’s operational manual.
- Every directorate shall present its budget and planned activities for the financial year for deliberations and approval by the Executive Committee before the end of the last month in the financial year.
- Planned activities for each directorate may vary during the year but costs shall be within the approved budget. Budget allocations may be redirected from other directorates with the approval of the President, VP Finance and the budget owner.
- Expenses of all directorates within a financial year shall not exceed the overall allocation for directorate activities.

Directorate Funding

- Directorates shall be largely funded by allocations of revenue from the prior financial year.
- Revenue sources for the Association include but are not limited to membership dues, service charges, grants, donations and income from business activities.
- Additional funds required for directorate activities above the annual allocation would be sourced by the respective VP, with support from the VP Finance. All VPs are responsible for raising funds for initiatives to be executed by their respective directorates.
- Requests from chapter and flight coordinators shall be funded by the relevant directorate for the request nature.

Revenue Allocation

- Allocation of annual revenue earned in a financial year excluding donations received for specific purposes shall be allocated to activities in the next financial year as follows:
 - ✓ 20% investment;
 - ✓ 80% for directorate activities as follows:

Directorate	Content	Allocation
Business	<ul style="list-style-type: none"> ○ Eagle enterprise support ○ CUALA business initiatives 	6%
Careers	<ul style="list-style-type: none"> ○ Eagles professional development initiatives ○ HR Consultancy Fees 	6%
Communications	Publicity and communications support	3%
Community Engagement	<ul style="list-style-type: none"> ○ Driving engagement on CUALA platforms 	3%
University Relations	<ul style="list-style-type: none"> ○ CU undergraduate tuition support ○ Support for CU events and projects ○ University development activities 	6%
Welfare	<ul style="list-style-type: none"> ○ HOPE Foundation 	3%
	<ul style="list-style-type: none"> ○ Eagle welfare support ○ Support for other social impact initiatives 	7%
Finance, Projects and Secretariat	Finance, administrative and secretariat expenses	34%
Chapters	Support for events, etc.	5%
Flights	Support for events, etc.	7%

- A tithe of 10% shall be paid on the annual cash profit (accounting profit plus non-cash expenses such as depreciation).
- Tithe, administrative and operational expenses are included in the Secretariat expenses

Donations

- General donations received during a financial year would be recorded as revenue for allocation in the next financial year.

- Donations received for specific projects would be allocated as follows: 20% would be considered as revenue for allocation in the following year and 80% dedicated to the project with balancing amounts retained for other welfare initiatives.
- All expenses wholly incurred for directorate initiatives would be charged to the budget of the relevant directorate.

Investment

- 20% of annual revenue would be earmarked for investments with 60% of the value invested in the CUALA endowment fund and 40% in operational reserves. Investments would be in low to medium-risk investment options and must be approved by the Board. Interest from investments would be re-invested.
- Withdrawals from the endowment fund for contingencies are limited to 1% of the fund balance as at the end of the prior financial year, subject to a maximum of one withdrawal per year and approval of the Endowment Fund Committee (EFC) and Board.
- Endowment fund withdrawals shall not be used for operational and administrative expenses.

Financial Accounting

- Unaudited financial reports shall include budget-expense variance analyses for each directorate.
- Audited financial reports for a financial year shall be prepared before the end of Q1 of the next financial year.

Expense Authorisation Limits

Authority	Limit
VP Finance	₦ 500,000
President	₦ 1,000,000
President + VP Finance	Above ₦ 1,000,000

Expense amounts above the approved annual budget must be pre-approved by the Board.