

Finances

Managing finances is an important responsibility of student organization leaders and members. It is expected that all student organizations manage their money in an ethical and responsible way. Careful planning adds to the success of managing organization funds.

Account Opening

To open an agency (or 900) account, a "Request for an Agency Account" form must be submitted to the Business Office (AS 124). These forms can be obtained in the Business Office (AS 124) or downloaded online at www.stcloudstate.edu/campusrec/documents/RequestforAgencyAccount.pdf. The form will be reviewed by the Business Office staff and, if approved, a copy of the request with the new account number will be sent to the student organization. Processing time is usually five business days. Your adviser's signature is required on the form. When opening an account, it is recommended that student organizations have a budget and a receipt book for record keeping. Your adviser will receive a monthly print out of all transactions within your 900 account.

Auditing

From Senate Finance Committee Policies

- All student organizations, co-curricular, sponsorships, student media, and SGA are required to be audited at least one time during the fiscal year by the Senate Finance Committee. A fiscal year is July 1 to June 30.
- Senate Finance Committee reserves the right to audit any organization at any time for any reason.
- Failure to comply with the audit request will result in funds being frozen and/or reimbursement of spent funding.
- All organizations must keep receipts of all purchases for a minimum of three years.
- Groups submitting fraudulent reports will be required to reimburse funds received from the Senate Finance Committee.

Banking/Off Campus Accounts

All registered student organizations are required to maintain all financial accounts with the St. Cloud State University Business Office. Student organizations are not authorized to establish checking accounts at a bank or other financial institution. 900 (agency) accounts are provided at no cost to student organizations and ensure that a detailed accounting of receipts and expenditures is maintained. Controls are in place to safeguard cash against unauthorized activity. 900 accounts will operate under University policies and procedures. Organizations that re-form and wish to access funds in a 900 account that has been dormant will need to work in accordance with Business Office procedures. CSOLD staff members are available to assist student organizations in this process as well.

Cash Handling

Any time an organization receives income from fundraisers, sales, dues, or other organization activities, all money should be kept in a safe, secure place at the end of the sales day. Organizations should not maintain a significant amount (over \$50) of money in an unsecured location or in the possession of any member. If organizations are using a cash box, the cash box should be emptied at the end of each day's event and the contents deposited or held in a safe, secure location. A secure option for securing cash and checks is the AMC Accounting Office (AMC 169). The staff will securely store cash and checks for deposit for student organizations overnight. Keep only enough money in the cash box for making change during the next day's sales. With prior notification, CSOLD staff can help the group get starter cash for the purpose of making change. Starter cash should be deposited separately and marked as "returned starter

cash” on the deposit form. It is recommended that all student organizations keep record of all incoming money and provide receipts.

Contracts

If an organization is paying an individual for a service (such as a speaker or entertainer) they are required to use a University contract. The contract should be prepared at least two weeks before the event to ensure time for processing. To complete a contract, contact CSOLD in AMC 139. *If a contract is more than \$2,000 and the speaker or entertainer lives outside of Minnesota, a 2% entertainer's tax will be withheld.* Contracts cannot contain erasures, cross-outs, or whiteouts. Forms and Business Office policies can be found at www.stcloudstate.edu/businessservices/purchasing/manual/isa.asp. Please contact CSOLD for assistance in filling out a contract for any individual that you will be paying for their service.

Contracts under \$1,750

The Individual Service Agreement (ISA) can be used for services under \$1,750 and is for a "one time" payment only.

- Student organization members will need to complete a Contract Information Sheet available at www.stcloudstate.edu/csold/studentorganizations/documents/ContractInformationSheet.pdf and a 1400 form available at www.stcloudstate.edu/businessservices/purchasing/manual/documents/1400form.pdf or you can get either form in the CSOLD Office, AMC 139.
- Once forms are completed, including your adviser’s signature on the 1400 form, submit them both to the CSOLD Office.
- CSOLD staff will enter the information into the Purchasing Control System (PCS) and the ISA form.
- The ISA will be given back to the student organization for signature by the speaker/performer before the event.
- After the event, the student organization will have the adviser sign the ISA and send it to the Business Office in AS 122 to process payment.

Contracts over \$1,750

- Student organization members will need to complete a Contract Information Sheet available at www.stcloudstate.edu/csold/studentorganizations/documents/ContractInformationSheet.pdf and a 1400 form available at www.stcloudstate.edu/businessservices/purchasing/manual/documents/1400form.pdf or you can get either form in the CSOLD Office, AMC 139.
- Once forms are completed, including your adviser’s signature on the 1400, submit both forms to the CSOLD Office.
- CSOLD staff will review the contract and discuss any concerns with the student organization.
- CSOLD staff will enter the information into the Purchasing Control System (PCS).
- CSOLD staff will have the contract signed by the authorizing signature on campus. (Currently the Vice President of Student Life and Development or designee).
- CSOLD staff will send the contract to the speaker/performer for signature. Originally contracts are needed. No faxes will be accepted.
- Speaker/performer signs contract and mails it back to CSOLD.
- CSOLD staff will make a copy of the contract and send the original contract and copy to Business Office in AS122 three days before the event.
- CSOLD staff will send the authorization letter to be signed AFTER the event.
- Adviser needs to return the authorization letter to the Business Office, AS 122 for payment.
 - Student organization members are encouraged to keep updated with the processing of their contracts to make sure it will be processed on time for the event. Any questions can be directed to CSOLD or the Business Office, AS 122.

- Contracts containing erasures, cross-outs or white outs will be returned to the organization to be redone unless all parties involved have initialed the changes. Any alteration of the contract may require additional approval.
- If the request is not entered into Purchasing Control System and approved prior to the date of the contract, the student organization will be sent a letter of explanation (16A late letter) to be completed and returned before payment can be issued.

Debt

If an organization should end a fiscal year (June 30 of each year) with a negative balance in their 334XXX account, the Senate Finance Committee reserves the right to freeze a portion of the organization's funding during the following fiscal year. For every year the organization incurs debt, the amount that is frozen will increase by 50% (see Senate Finance Policies available at <http://www.stcloudstate.edu/csold/studentorganizations/documents/SFCBudgetPolicy.pdf>). Debt in the 900XXX account may result in the CSOLD office holding or suspending registration status until debt is paid.

Deposits

To deposit funds into your organization's account you need to divide checks and cash and bundle them separately with the total listed. Bring deposits to the Business Office, AS 123, with a deposit slip, available at www.stcloudstate.edu/csold/studentorganizations/BudgetBasClub_Manager2.asp under forms. Make sure to write the total amount deposited and the organizations account number on the form. The funds will be deposited into the account listed on the deposit form and a receipt will be provided along with the deposit form for the organizations records.

Developing a Budget

The best first step on the path to fiscal responsibility is to develop and maintain a detailed organization budget. It is best to have all officers work together to develop the budget, which will limit the possibility of missing revenue sources or possible expenditures. It is also good to refer to copies of past budgets when developing a current or projected budget for the student organization. Additionally, the budget should be shared with all members. When developing a budget, remember to be realistic and conservative. A well-organized budget has two parts: income and expenses. Income could include fundraising revenue, dues, and any other planned revenue sources. Expenses include any money the organization plans to spend throughout the course of the year. Project expenses for all events – large and small. Remember to include expenses for national membership dues (if applicable), supplies, printing, promotional materials, travel, and conferences. Once a list of income and expenses has been developed, subtract the total expenses from the total income: the difference is the amount of money the organization needs to raise through additional fundraising or requests for Student Government Funds.

Donations

Non- tax deductible donations

If a group receives a donation of money for the organization in exchange for sponsorship or other item of value, the money may be deposited into the organization's 900 (or agency) account, however, no receipt will be provided to the donor and the gift is not considered tax deductible.

Tax deductible donations

If an organization has questions about tax deductible donations, contact CSOLD staff at csold@stcloudstate.edu, 320-308-3004 or visit AMC 139.

Donations through PayPal

The university does not allow organizations to set up Pay Pal accounts.

Managing Your Budget

Once an organization has finalized a budget, it is important and helpful to refer to it often and update it as needed. The organization will be more successful and able to reach its goals if it maintains a budget that accurately reflects income and expenses. It is fiscally responsible to make every attempt to stay within the set budget. Fiscal responsibility will aid the organization's future financial planning.

While most organizations have a treasurer to manage financial matters, it is important that more than one person understands the financial operations of the organization. Make sure organization members understand the organization's financial operations. A lack of understanding could lead to overspending, unpaid bills, and a lack of financial control and expenditures. If more members understand revenue potential and expenditure constraints, they will be more willing to work within the budget. While every member should understand the organization's budget, only a few people in the organization should be authorized to handle financial transactions or access the account. Maintaining monthly financial reports and documentation could help prevent financial problems, so the treasurer should keep a record of all deposits and expenses for comparison to the reports provided by the Business Office to the student organization's adviser. An organization should appoint a treasurer to be responsible for tracking the budget and handling most, if not all, financial transactions. It's normal for a budget to change and shift throughout the year. If an organization would like to purchase equipment or plan an activity that was not budgeted for in the beginning of the year, then the budget will have to be rearranged to compensate for the unexpected cost, or the group will have to find another source of income to cover it. Likewise, if a purchase turns out to be significantly more expensive than predicted, the budget will have to be adjusted to cover this cost; another expense will have to be cut, or additional income will need to be found. *Note:*

Organizations receiving money from Student Government that want to make a major change to their budget or spend money different than what it was allocated for, must present written justification to the Senate Finance Committee within two weeks of the purchase. Failure to do so may result in budget money being frozen.

Paying Bills

To pay a bill, complete a 1400 form and attach the receipt/invoice/bill. These forms can be obtained from the CSOLD office or online at www.stcloudstate.edu/businessservices/purchasing/manual/documents/1400form.pdf. The forms require the adviser's signature and should be sent to the Business Office in AS 122. Processing usually takes two days. Checks can either be held for pickup or mailed directly to the group receiving payment, called a "vendor". CSOLD staff will review any 1400 form for an organization to be sure it is completed correctly. The following data is required to complete a 1400 form:

- Organization's account number
- Object code from which expenditures are made, e.g., 3000 (supplies)
- Quantity of the purchase
- Description of the expenditure
- Price per unit/ Total price (unit price times the quantity)
- Student ID number of the person being paid/reimbursed (or social security number if there is no student ID number)
- Name and address of service provider
- Adviser's signature - while the Treasurer's signature is not required, it is recommended that the Treasurer be responsible for completing 1400 forms to help with recordkeeping of expenditures.
- Total dollar amount
- Current date
- Office phone number or adviser's phone number
- Name of organization or department

When the 1400 Form is completed, the organization or CSOLD staff will send it to the Business Office, AS 122. Make a copy for the organization's records. To make payments to a vendor or reimburse for purchases or services, a bill or itemized original receipt invoice for the purchase(s) must be attached.

Record Keeping

Student organizations are encouraged to maintain records of all money coming in (dues, fundraisers, etc.) and going out (reimbursements, programs, etc.). A receipt book is a good way to keep these records. Comparing the receipt book of records to the monthly transaction report that the adviser gets from the Business Office regarding the organization's accounts is a good way to verify that records are accurate.

Student organizations receiving money from Student Government must maintain their receipts on expenditures for three years.

Reimbursements

If a member of the organization spends their own money to purchase goods or services for the group, the member can submit a request to be reimbursed for that expense using the 1400 form along with a receipt for the goods/services. 1400 forms can be found online at www.stcloudstate.edu/businessservices/purchasing/manual/documents/1400form.pdf and require the adviser's signature. The forms can be turned in to CSOLD for review and CSOLD staff will forward it on to the Business Office for processing.

Note: Because St. Cloud State University is a tax exempt institution, we cannot reimburse for sales tax from an organization's 334 account. The group can reimburse for sales tax out of their 900 (agency) account. Stop by CSOLD to pick up a Tax Exemption Form before you make any purchase. Present the form to the vendor at the time of purchase to avoid paying sales tax.