

STUDENT GOVERNMENT FINANCIAL PROCEDURES (4/12/16)

APPROVAL OF STUDENT FEES

In the spring of the year, there will be a meeting of the Vice President of Finance, Director of University Unions, Assistant Director of Finance of University Unions, Dean of Arts and Letters, and Treasurer of the Student Government Association to approve the total amount of student fees available for the following year and to discuss general philosophy and percentage allocations. Discussion with the President of the University regarding these items will take place as necessary.

The Finance Committee of the Student Government Association will hold budget hearings for all recognized student groups seeking Front-End Budgets or Contingency or Program Grants.

The Finance Committee may change the specific dates found below under special circumstances. This moving of dates shall be approved and overseen by the Speaker of the Senate and the Executive Treasurer to go into effect.

Section 1: Finance Committee

Mission of the Finance Committee

The Finance Committee of the Student Government Association is responsible for all financial matters associated with the Student Government Association. This includes but is not limited to all Contingency Requests, the Front-End Budgeting Process, Program Grants, and the internal budget of the Student Government Association. The Finance Committee shall value the principles of fiscal responsibility, stewardship, transparency, and advocacy.

Structure

This committee consist of a diverse group of members, totaling a minimum of 10 members excluding the Executive Treasurer. There shall be three separate sub-committees: Contingency, Internal, and External. Each sub-committee will be led by a sub-committee chair. Members of the finance committee will serve on a sub-committee. The Executive Treasurer shall lead this committee. All meetings of this committee shall occur on Monday through Friday between 8am and 5pm. The Executive Treasurer shall serve as the chairperson of this team. The structure of the Finance Team is up to the discretion of the Treasurer.

Sub-Committees

1. Contingency
 - i. This sub-committee will deal with all matters involving contingency

- ii. This sub-committee will appropriately record and maintain all contingency files and records in a single location. All members of the Finance Committee must have access to this
- iii. They will meet with all groups interested in applying for contingency and aid all groups in the contingency process
- iv. They will also meet with all groups who have received money to ensure allocations were spent appropriately

2. Internal

- i. This sub-committee will be responsible for the internal budget of the Student Government Association
- ii. They will handle all sales of merchandise, the collection of dues, and all cash handling of the Student Government Association
- iii. In conjunction with the Executive Treasurer, the subcommittee will present any purchase over the amount of \$5,000 to the Student Senate.
- iv. They will be responsible for maintaining inventory on all items purchased

3. External

- i. This sub-committee will deal with all program grants, FEB budgets, and FEB Retention.
- ii. Persons on this committee will also have priority seating on the Financial Education Committee and Media Board.
- iii. They will also be responsible for any publicity events, i.e. Cash for Clubbers

Selection of Sub-Committee Chairs

Sub-Committee Chairs must be members of the Finance Committee. The selection and application process of Sub-Committee chairs will be at the discretion of the Executive Treasurer.

Responsibilities of Sub-Committee Chairs

1. All sub-committee chairs must be members of the Finance Committee
2. All sub-committee chairs must meet with the Executive Treasurer prior to the first day of the academic school year
3. All sub-committee chairs must report with the Executive Treasurer on a regular basis
4. All sub-committee chairs are responsible for delegating task out to sub-committee members
5. All sub-committee chairs will meet with appropriate administration when needed
6. The Executive Treasurer may develop additional criteria at their discretion

Section 2: Front-End Budgeting (FEB) Process

Establishing FEB Status

1. The Finance Committee shall meet as groups apply and determine whether a prospective group meets the following criteria:
 - a. The group is so important that it must be budgeted on the front end versus Contingency or Program Grants.
 - b. The group has a far-reaching impact
 - c. There is no current formal form of funding for the group through a university department or national organization.
 - d. The group appropriately uses its funding.
 - e. No duplicate services are provided on campus through another FEB group or university department.
 - f. Continual fundraising would keep the group from fulfilling its mission.
 - g. The group has been a recognized organization of the Student Activities and Involvement Office and in good standing for the previous two years.
2. If the above criteria are met and there are enough funds to support another FEB group, the FEB Advisory Committee shall meet and vote on each group. Those groups who have been approved by the Advisory Committee shall then be brought to the Senate floor to be confirmed and discussed. A two-thirds vote will be required to approve FEB status. Any decision made by the Student Senate shall be the final decision.

FEB Advisory Committee

1. The FEB Advisory Committee will be formed consisting of the following:
 - a. One Representative from each FEB group that is not the current treasurer.
 - b. An Administrative Advisor.
2. The External Sub-Committee Chair of the Finance Committee will determine and arrange the meetings of the FEB Advisory Committee. The Chair is responsible for communication with all treasurers and representatives for the FEB groups. The chair of this committee will be the External Sub-Committee Chair.
3. If an FEB group's goal review or budget is late, or they do not have an Advisory Committee Representative punctually, it is up to the Advisory Committee to put them on probation, which will potentially end on FEB weekend.
 - a. If they do not comply with the deadlines afterwards, the Front-End Budgeting group runs the risk of getting a hold on their spending, losing money in their budget, or losing their Front-End Budgeting status

Retaining FEB Status

1. On even numbered years, previous to Thanksgiving, the Finance Committee and FEB Advisory Committee shall review the status of each front end budgeted organizations as follows:
 - a. Each organization will present to the committee arguments for why the group:
 - i. Meets its mission statement through FEB funded programming, and
 - ii. How the group's mission statement still meets the aforementioned criteria as well as its benchmarks.
 1. Benchmarks are mutually set goals based upon each specific group's mission statement.
 2. They are developed in cooperation between FEB Advisory Committee & FEB groups.
 3. At the end of the year, groups will submit a report discussing accomplished benchmarks, unaccomplished benchmarks, and reasons for why benchmarks were not accomplished
 4. The FEB Advisory Committee will submit a report to Finance Team & Administration as well.
 5. The aforementioned reports will be made available to the Student Senate upon the FEB Retention hearings.
2. Student Government Association Senators and Representatives may present evidence as to why, over the past two years, the organization has failed to meet the two above criteria.
3. Any organizations interested in retaining FEB status are limited in their fundraising efforts. No organization may fundraise for internal benefit, or external or charitable causes unless they have received prior consent from the applicable administration.
4. By a majority vote, the Committees may revoke the FEB status of an FEB group if the Committee finds sufficient proof that the above criteria are not met. In this case, a bill will be sent to the Student Senate revoking the status of said group requiring a two-thirds majority. The Executive Council shall then accept or reject the Senate's decision.
 - a. If their status is revoked, the FEB group will make a presentation to the Student Senate the night the bill is debated.

FEB Annual Budget Approval

1. The budget for the Student Government Association shall be made by the Executive Treasurer in conjunction with the Internal sub-committee chair and be presented to the Student Senate at the third to last senate meeting of the year.

2. The budget will then be sent to the Special Advisory Committee for approval
 - a. Budgets for the upcoming fiscal year will be submitted to the Financial Advisor of FEB groups on the last week of January.
 - b. FEB budget hearings will be held on the second and third Friday of February.
 - i. The Finance Committee and FEB Advisory Committee will meet with each FEB group and look over each line item in the budget.
 - ii. Each member of Finance, as well as each member of the FEB Advisory Committee will vote on approval of each budget.
 - iii. FEB Advisory Committee members may not vote on their own budget.
3. Once all budgets have passed through committee, the budgets are placed in the Student Government office and members have until 5:00pm the Sunday before FEB budgets are presented to Senate to make an amendment in writing. The Associate Director of Finance for University Unions will review all amendments with the member that contributed the amendment. This meeting is intended to ensure that amendments follow state budgeting procedures and do not exceed the budgeted amount available to the Student Government Association
 - a. When writing amendments members should:
 - i. Take the time to make an enlightened decision. The current fiscal year and three previous fiscal years expenditures are available for members to review in Madison Union Room 205. The goal is for members to take the time to make an informed decision based off of previous years expenditures.
 - ii. Members should make an effort to educate themselves about the organization. Members must talk with the leaders of the organization, in which they wish to amend, so that members have an understanding of their mission and the objectives behind their budget line items. The information in the budget line items are miniscule and do not portray the significance of each event. On the front page of each budget submission the treasurer and president are listed, members must take the time to contact the organizations leaders about any questions members might have regarding their budget.
 - iii. The goal is to be engaged in the process. Each group has a different function for the JMU community and the objective as an Student Government member is to use the resources wisely while ensuring all members of each FEB group are treated with respect and are included in the process.

4. At the Senate meeting, on the Tuesday before Spring Break, the budgets will be presented for a vote. During this time a member of the SGA Finance Committee will present the FEB group's budget. If there are approved submitted amendments then amendments will be read and voted on. If there are no amendments the budget will move directly into a vote. All debate on each FEB budget shall be limited to no more than 10 minutes.
 - a. Amendments on the floor will not be allowed.
 - b. It will require a two-thirds vote to change the Finance and FEB Advisory Committees decision.
 - c. The Student Government Association Executive Council shall accept or reject the Student Senate's decision.

Section 3: Program Grants

1. A Program Grant will serve as a grant funding to any non-FEB student organization for a specific event that has a campus-wide, community-wide impact.
2. The Finance Committee will receive Program Grants from non-FEB organizations and examine them for the following criteria:
 - a. The requesting group is a Student Activities and Involvement Office recognized organization and has been in good standing for the previous 12 months.
 - b. The program enhances student life.
 - c. The program diversifies or offers something new to the campus and community.
 - d. Programs shall be allowed to produce a profit and fundraise for the organization.
 - e. The organization's advisor must endorse the program.
 - f. The organization can only receive a Program Grant once every three semesters.
3. Program Grant Procedures
 - a. If a group would like to request a Program Grant for the upcoming spring semester, it must submit a written application to the Finance Committee on the fourth Tuesday before Thanksgiving Break. If a group would like to request a Program Grant for the upcoming fall semester, it must submit a written application to the Finance Committee on the fourth Tuesday before Spring Finals Week.
 - i. Senate approval of spring semester Program Grants will take place on or before the second Tuesday before Thanksgiving break.
 - ii. Senate approval of fall semester program grants will take place on or before the second Tuesday before Spring Finals Week.

- b. FEB groups cannot co-sponsor a Program Grant event; however, FEB groups can offer non-monetary assistance to groups in putting on events funded under this section.
- c. Organization(s) whom made revenue from a Program Grant must pay the appropriate tax on that revenue.
- d. Groups may not apply for a program grant to bring musical groups to campus whose contract fee exceeds \$5000, excluding DJ's.
- e. Programs sponsored by 1 group can request a maximum of \$5000.
- f. Programs sponsored by 2 groups can request a maximum of \$7500.
- g. Programs sponsored by 3 or more groups can request a maximum of \$10,000.

Section 4: Contingency Funds

1. Contingency requests shall be voted on by the Finance Committee and the Student Senate consistent with the following criteria:
 - a. Each group must be a recognized James Madison University student organization, be chartered with a constitution, and be in good standing with the Office of Student Activities and Involvement. If concerns are brought to the Finance team that a group is not in good standing, the group must obtain a signature from the Director of the Office of Student Activities and Involvement to verify the aforementioned criteria. Organizations less than four months old are not eligible for contingency funding.
 - b. Before submitting any proposal, the requestor must meet with a member of the contingency sub-committee. The proposal will then be referred to the Finance Committee for consideration and recommendation. The contingency sub-committee chair will notify the requesting group of the Finance Committee's meeting time.
 - c. The request must follow Financial presentation guidelines be typed and it must itemize exactly where and how the funding will be disbursed.
 - i. All groups must completely fill out and bring all forms to their first meeting with the contingency sub-committee chair.
 - ii. All groups who are approved for funding must fill out and turn in a W-9 form to the Fiscal Technician of Madison Unions. Groups who fail to properly fill out and turn in a W-9 form will not receive funding.
 - iii. Groups who fail to bring all forms properly filled out could possibly face having their Contingency Request terminated at the discretion of the Finance Committee.
 - d. Reasoning for each request should be clear, precise, and display accurate accounting principles.

- e. The group's request should be presented in person to the Student Government Association Finance Committee unless given prior approval by the Executive Treasurer.
- f. The purpose/mission statement for each organization must be presented to the Committee.
- g. All other avenues of funding should be exhausted before Student Government Association funds are requested. Diligent efforts should be made to raise funds. The organization needs to show that all avenues of fundraising for the particular request are exhausted.
- h. Groups that receive more than \$10,000 annually from a university department or entity not eligible to apply for contingency funding.
- i. Each group must estimate how James Madison University students can directly and indirectly benefit from its organization's endeavor.
- j. A group can request up to \$2,250 or six percent (6%) of the total contingency fund at the start of the academic year, whichever is lower.
- k. No funds will be approved for the requests/events that may generate a net profit (directly or indirectly) for any or all of the following:
 - i. Any James Madison University club/organization
 - ii. To fund loans
 - iii. To pay a debt or reimbursement
- l. The Student Government Association Finance Committee may approve, deny, or table any request and will report its decisions to the Student Senate.
- m. A student representative of the organization requesting funds must attend a meeting with a member of the Finance Committee, and present to the Finance Committee. Only students from the organization applying for funding may participate in the contingency process. Should a contingency bill come to the full Senate Floor by petitioning the speaker following its course of action within the Finance Committee against the recommendation of the committee (i.e. not receiving a simple majority vote within committee), the Senate must then pass the bill with a two-thirds majority as opposed to the current simple majority should the Student Senate choose to pass said bill.
- n. Groups must present their request to the Finance Committee. Following the Finance Committee's decision, the organization will present their request to the Student Senate. A member of the committee will represent the requesting organization's interest for the initial pro debate and assist in answering all questions made by the Student Senate after the reading of the organizations resolution.
- o. The Executive Council will accept or reject the Senate's decision. If approved, the organization will be directed to the Associate Director of Finance for University Unions to receive funds. If not

- approved, the request can be resubmitted to the Senate. A two-thirds vote is required to override the Executive Council veto.
- p. The Finance Committee will review requests four to six weeks before the date that the funds are needed. The chair of the contingency sub-committee can change this amount with a simple majority approval from the Student Senate. The first time the finance bill is read on the Senate Floor shall constitute the date of request.
 - q. No funding for any food and/or dietary requests of organizations will be granted.
 - r. Requests for conventions, seminars, retreats, etc. are limited to registration fees or a portion thereof, and James Madison University registered vehicles for transportation.
 - s. No direct contribution to a charitable or non-charitable group (ex: honorariums) will be given consideration. Furthermore, a speaker fee is a fee charged by a group or individual in exchange for a performance. The fee is to be paid directly to the said individual.
 - t. Any organization that receives funds from the Student Government Association must keep receipts and records of all money allocated by the Student Government Association. Each organization is responsible for maintaining all receipts in connection with their contingency grant. At the discretion of the chair of the contingency sub-committee, during the relevant academic school year, the organization is required to complete a review of the allocated funds with members of the Finance Committee. If the organization has not used the entire amount of funds allocated, they must return the money to the university. If an organization fails to contact the chair of the contingency sub-committee or fails to return unused money then that organization will be ineligible to receive contingency funds or program grants for two full semesters.
 - u. Any violation of the above Contingency Criteria may make a club/organization ineligible for Contingency Funds in the future, as determined by the Finance Committee.
 - v. The aforementioned criteria may be dispossessed only by a two-thirds vote of the Senate.

Section 5: Reserves

- 1. FEB Organization Reserves
 - a. Any unused funding from an FEB group's budget will be placed in its Organization Reserve Account.
 - b. A group must keep a minimum of 10% of its allocated budget in its Reserve Account.
 - c. A group may keep a maximum of 30% of its allocated budget in its Reserve Account.

- d. Any money in an FEB group's Organization Reserve Account that is over 30% of its allocated budget will be transferred in to the General Reserve Account.
 - e. FEB groups can request funds from their reserves through a bill in the Student Senate.
 - f. Reserves may only fund capital expenditures.
 - g. A member of the Finance Team, excluding the chairperson shall be appointed by the Executive Treasurer to write all FEB reserve bills.
2. General Reserves
- a. General Reserves consists of the interest made on the Organization Reserves Account, Contingency funds that have not been exhausted, and the excess money from Organization Reserves.
 - b. After 3 years, any defunct group reserves will be transferred to General Reserves.

Section 6: Internal Procedures and Protocols

1. Sales and Cash Handling
- a. All members collecting money as the result of the sale of goods or collection of dues must complete a training session held by the internal sub-committee chair and the Executive Treasurer.
 - b. Money collected from sales or collection of dues must be store in a cash box at all times
 - i. Money shall never be left unattended
 - ii. Once collection of money is completed the cash shall be locked and given to the internal sub-committee
 - c. Once money is given to the Finance Committee, money then will be counted once by a member of the internal sub-committee and once by the Executive Treasurer. All collections of monies should be recorded in journal.
 - d. All monies collected shall be deposited with the appropriate faculty member or deposited to the Business Office deposit box.
 - i. No monies shall be held overnight
2. Fines
- a. The Finance Internal Subcommittee, along with the Membership Chair, will establish a \$50 fine for individuals who do not attend the mandatory SGA retreat in the fall and/or spring.
 - b. The fines shall be collected by the Executive Treasurer, or the Internal Subcommittee at the Senate following the retreat or as soon as possible if said member cannot attend that Senate.
 - c. Fines will be allocated towards the Membership Committee's budget.

- d. Failure to pay the fine by an individual within three weeks after the date of the retreat will be subject to removal from the organization by the Membership Committee by the removal procedure outlined in the Student Government Association's Constitution.

3. Dues and Stipends

- a. Dues shall be collected by the internal sub-committee
- b. All money collected from dues shall be used for member polo's. Remaining funds shall be allocated to the membership committee for the purpose of leadership and professional development, retreats and bonding events.
- c. All members of the organization shall pay their dues by the date set forth by the Executive Treasurer.
- d. Payment plans for dues shall be made at the discretion of the Executive Treasurer.
- e. All members receiving a stipend by the Student Government shall receive payment in two lump sums at the end of each semester
- f. Membership dues shall consist of a new member fee of \$25. Each subsequent year, members will only be responsible for paying \$10. Internal representatives will pay \$5 due at the start of the semester they are present on the JMU campus. If an individual leaves and rejoins the organization, they will only be responsible for paying the \$10 fee having previously paid the new member fee.
- g. For every Senate past the due date established by the Executive Treasurer, members who have not paid will accrue one committee and one senate absence, as established in House Rules.

4. Inventory

- a. All items purchased or given to the Student Government Association shall be property of the Student Government Association
- b. The internal sub-committee shall be responsible for all inventory
 - i. The Executive Treasurer and Student Body President shall have final say in use and disposal of all inventory
- c. The internal sub-committee shall keep record and maintain all items of inventory

5. Co-Sponsorships

- a. Any co-sponsorship that require any type of financial support or any use of the organization's inventory shall require involvement and approval of the Executive Treasurer and the entire Finance Committee.
- b. The Executive Treasurer shall have the final say in any funding to another organization as a part of a co-sponsorship that is not currently in the approved budget

6. Reimbursement

- a. All individuals seeking reimbursement for travel or payments that will occur on SGA official business and is in the current approved budget shall meet with the Executive Treasurer prior to expenses being incurred.
- b. All receipts must be kept and turned into the Executive Treasurer in order for to gain reimbursement
 - i. Any member may seek reimbursement but due to restrictions by the University and the Commonwealth of Virginia may not receive reimbursement
 - ii. Members shall be reimbursed within 60 days after all receipts have been collected

7. Donations

- a. Any member of the organization seeking any donations be it in the form of services, money, or product must receive permission form the Executive Treasurer and Student Body President prior to asking or receiving donations

8. Business Activities

- a. The Student Government Association shall be allowed to collect profit on the sale of all apparel and collect dues.
- b. All other business transactions that fall outside of the aforementioned parameters shall not be allowed.
 - i. In order to gain permission on any prohibited activity the Executive Treasurer must give a completed a cost benefit analysis and a synopsis of the activity to the University Unions Associate Director of Finance.
 - ii. Any new business activity must be approved by the administration

9. Contracts and Purchases

- a. All purchases and contracts made by the Student Government Association must be approved and/or signed by the Executive Treasurer
- b. The Finance Team shall be the only group of members allowed to contact businesses, departments, individuals, etc on the behalf of SGA seeking to purchase goods or services

10. Internal Request for Funds

- a. Any member of the organization can request funds for an event,
- b. All request must be submitted to the Executive Treasurer and Finance Committee at least two weeks in advance in order to receive funds by the date needed
 - i. Request submitted late could possibly not get funding
- c. Any member signing out a gift card is responsible for turning in all receipts and gift cards immediately after use
 - i. If a member loses any receipts or gift card signed out in their name they shall be responsible for returning all money lost

- d. Any request for booking of hotel rooms must be accompanied by a list of all attendees in order to book and pay for rooms

Section 7: Amendments

1. Any amendments made to this document must first be seen by the University Unions Director of Finance and then submitted to the Speaker of the Student Senate and Executive Treasurer.
2. All amendments shall require a simple majority approval by the Student Senate and approval by the Executive Council to pass.
3. The Finance Committee shall review this document at the beginning of each academic year and propose amendments as necessary to the Student Senate.
 - a. The Executive Treasurer shall familiarize themselves to this document and present an overview of this document to the Student Senate once a year.
 - b. The Executive Treasurer shall also give a detailed description about this document and the functions of the Finance Committee at any and all new member retreats.