

STUDENT GOVERNMENT FINANCIAL PROCEDURES

Article I: Purpose

APPROVAL OF STUDENT FEES

In the spring of the year, there will be a meeting of the Student Advisory Committee, which is comprised of the Assistant Vice President of Finance, Director of University Unions, Student Life Fiscal Manager, Associate Dean of Arts and Letters, and Executive 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 occur as necessary.

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

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.

Article II: Finance Committee

Section I: Mission of the Finance Team

The Finance Team of the Student Government Association is responsible for all financial matters associated with the Student Government Association. This includes but is not limited to:

- I. All Contingency Requests,
- II. Front-End Budgeting Process,
- III. Program Grants,
- IV. The Internal Budget of the Student Government Association.

The Finance Committee shall value the principles of fiscal responsibility, stewardship, transparency, and advocacy.

Section II: Structure

This team consists of the Student Body Executive Treasurer, Finance Chairperson, Finance Staff, and The Finance Committee.

The Finance Committee consists of a diverse group of members, totaling two (2) more members than the number of Front-End Budgeting Organizations, or a minimum of 8 members excluding the Executive Treasurer, whichever is higher. The Finance Chairperson shall serve as the chairperson of this committee under the oversight of The Executive Treasurer.

1. Finance Chairperson

The Finance Chairperson shall directly oversee the grant processes of the student government under the direction of the Executive Treasurer. Specific responsibilities are as follows:

- i. The Finance Chairperson will deal with all matters involving contingency,
- ii. The Finance Chairperson will meet with all groups interested in applying for contingency and aid all groups in the contingency process,
- iii. They will also meet with all groups who have received money to ensure allocations were spent appropriately and collect the receipts,
- iv. The Finance Chairperson must meet with the Executive Treasurer on a weekly basis,
- v. The Finance Chairperson will deal with all matters involving Program Grants,
- vi. The Finance Chairperson will assist the Executive Treasurer in setting forth the schedule for Program Grants,
- vii. The Finance Chairperson will meet with all parties assisted in Program Grants,

viii. The Finance Chairperson will work with groups applying for Program Grants to prepare them to present to Senate.

2. Front End Budget Liaison

- i. The FEB Liaison shall assist the Executive Treasurer in their responsibilities to FEB's, the FEB Advisory Committee, and FEB-related business with administration.
- ii. The FEB Liaison will serve as the meeting representative of SGA in the FEB Advisory Committee.

Article III: Front-End Budgeting (FEB) Process

Section I: 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 has a far-reaching impact,
 - b. There is no current formal form of funding for the group through a university department or national organization,
 - c. The group appropriately uses its funding,
 - d. No duplicate services are provided on campus through another FEB group or university department,
 - e. Continual fundraising would keep the group from fulfilling its mission,
 - f. The group has been a recognized organization of the Student Activities and Involvement Office and has been in good standing for the previous two years,
 - g. The group may not have an internal scholarship fund that FEB money goes towards,
 - h. If a group does, upon application, they must turn the fund over to the University scholarship fund.

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.

Section II: 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. A Student Life Fiscal Professional Staff.
 - c. The Student Government Finance Committee.
2. The Executive Treasurer will determine and arrange the meetings of the FEB Advisory Committee. The FEB Liason is responsible for communication with all treasurers and representatives for the FEB groups.
3. If an FEB group's goal review or budget is late, or they do not have an Advisory Committee Representative punctually, they shall relinquish their opportunity to come before the Advisory Committee and shall be directed to schedule a time to be heard in a Finance Committee meeting. Should they fail to do so within three meeting times, it is up to the Finance Committee to put them on probation.
 - a. If they do not comply with the deadlines afterward, 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.
4. The Executive Treasurer of the Finance Committee can call a retention hearing (see "Retaining FEB Status") at any time if one of the following criteria is satisfied.
 - a. A non-FEB group has demonstrated that they have met the criteria to become an FEB group and wish to be voted on.
 - b. A current FEB group expresses interest in no longer being an FEB group.
 - c. A resolution from the student senate calling for a retention hearing passes the senate in which the Executive Treasurer of the Finance Committee must have a retention hearing no later than 30 days after it is

approved by the Student Senate or one week before FEB budgets get voted on by the Student Senate for the following year.

Section III: Retaining FEB Status

1. On even-numbered years, prior to Thanksgiving, the Finance Committee and FEB Advisory Committee shall review the status of each FEB organization as follows:
 - a. Each organization will present to the committee arguments for why the group,
 - b. Each organization meets its mission statement through FEB funded programming,
 - c. Each organization's mission statement must also meet the following benchmarks:
 - i. Benchmarks are mutually set goals based upon each specific group's mission statement.
 - ii. They are developed in cooperation between the SGA Finance Committee and FEB groups.
 - iii. At the end of the year, groups will submit a report discussing accomplished benchmarks, unaccomplished benchmarks, and reasons for why benchmarks were not accomplished.
 - iv. The FEB Advisory Committee will submit a report to the Finance Team & Administration:
 - v. 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.

Section IV: FEB Annual Budget Approval

1. The budget for the Student Government Association shall be made by the Executive Treasurer, SGA Finance Staff, and FEB representatives.
2. The budget will then be sent to the Student Advisory Committee for approval.
 - a. Budgets for the upcoming fiscal year will be submitted to the Financial Advisor of FEB groups in the last week of January.
 - b. FEB budget hearings will be held on the second and third week 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 5:00 pm the Sunday before FEB budgets are presented to the Student Senate to make an amendment in writing. The Student Life Fiscal Manager 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 300. The goal is for members to take the time to make an informed decision based on 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 minuscule and does 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 organization's 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 a 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 a Senate meeting, within two weeks of 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 ten (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.

Article IV: Program Grants

1. A Program Grant will serve as 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. Program grants must be presented to and approved by the finance committee & the student body senate at least 10 weeks before the date of the proposed event. Any request for an event to be held sooner than 10 weeks must pass with a two-thirds majority in the Senate. After approval of funding, a meeting with the Union Fiscal Technician must be scheduled at a minimum of 6 weeks before the event to begin planning.
 - g. 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.
 - h. Organization(s) who made revenue from a Program Grant must pay the appropriate tax on that revenue.
 - i. Groups may not apply for a program grant to bring musical groups to campus whose contract fee exceeds \$5000, excluding DJs.
 - j. Programs sponsored by 1 group can request a maximum of \$5000.
 - k. Programs sponsored by 2 groups can request a maximum of \$7500.
 - l. Programs sponsored by 3 or more groups can request a maximum of \$10,000.

Article V: 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 Finance Committee and be approved by the Finance Chair or Finance Liaison. The proposal will then be referred to the Finance Committee for consideration and recommendation.
 - c. The request must follow financial presentation guidelines, be typed, and itemize exactly where and how the funding will be disbursed.
 - i. All groups must completely fill out a contingency application.
 - 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. All groups must fill out and turn in, or have on file, a Vendor E-Payment Form to the Fiscal Technician of Madison Union.
 - iv. 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 are 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 \$3,000 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 the 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 the said bill.
- n. Groups must present their request to the Finance Committee. Following the Finance Committee's decision, the organization will present its 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 organization's 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 Business Services 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 Contingency Liaison 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. Funding for food shall be limited to JMU-approved vendors for on-campus events only. All JMU food and drink policies/guidelines must be followed.
- r. 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.
- s. 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 Finance Chair, during the relevant academic school year, the organization must 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 Finance Chair or fails to return unused money, then that organization will be ineligible to receive contingency funds or program grants for two full semesters.
- t. All organizations must make an effort to maintain professionalism and mutual respect in the grant process.
- 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 disposed only by a two-thirds vote of the Senate.

Article VI: 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 a FEB group's Organization Reserve Account over 30% of its allocated budget will be transferred into 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 shall write all FEB reserve resolutions.
2. General Reserves
 - a. General Reserves consist 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.

Article VII: Internal Procedures and Protocols

1. Sales and Cash Handling
 - a. Money shall be collected by the University Unions Finance Team for approved sales.

2. Stipends

- a. All members receiving a stipend by from the Student Government shall receive payments as a total sum at the end of the semester. The Executive Treasurer may prorate the stipends of terminated and unfulfilled positions and report this decision to The Finance Committee and Executive Council.
- b. All members holding two positions with allocated stipends must relinquish one of the stipends or cede one of the positions.

3. Inventory

- a. All items purchased or given to the Student Government Association shall be the property of the Student Government Association.
- b. The Executive Treasurer shall be responsible for all inventory.
 - i. The Executive Treasurer and Student Body President shall have the final say in the use and disposal of all inventory.
- c. The Executive Treasurer and Chief of Staff shall keep records and maintain all items of inventory.
- d. The Executive Treasurer and Chief of Staff shall maintain any safe, lockbox, or vault.
- e. If approved by the Executive Treasurer and Chief of Staff, unanimously, other leadership team members may sign a responsibility agreement as specified by the Chief of Staff and Executive Treasurer and obtain the password or key to such protective objects.

4. Co-Sponsorships

- a. Any co-sponsorship that requires any type of financial support or any use of the organization's inventory shall require the 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.

5. Reimbursement

- a. All receipts must be kept and turned in to the Student Life Fiscal Professional Staff in order to gain reimbursement for approved travel purposes.

6. 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.
- c. In order to gain permission for any prohibited activity, the Executive Treasurer must give a completed a cost-benefit analysis and a synopsis of the activity to the Student Life Fiscal Manager.
- d. Any new business activity must be approved by the administration

7. Contracts and Purchases

- a. All purchases and contracts made by the Student Government Association must be approved by the Executive Treasurer

8. Internal Request for Funds

- a. Any member of the organization can request funds for an event
- b. All requests must be submitted to the Executive Treasurer and Finance Team 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 request for booking of hotel rooms must be accompanied by a list of all attendees in order to book and pay for rooms

Article VIII: Amendments

1. Any amendments made to this document must first be seen by the Student Life Fiscal Manager 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 with this document and present an overview of this document to the Student Senate once a year.

- b. The Executive Treasurer, Finance Chairperson, and Finance Staff shall also give a detailed description about this document and the functions of the Finance Committee at any and all new member retreats. The Executive Treasurer shall present to the Senate once a semester to go over the rules and regulations of the Finance Committee.