

MARQUETTE UNIVERSITY STUDENT GOVERNMENT

FINANCIAL POLICIES

APPROVED BY MUSG (FORMERLY ASMU) SENATE 2/28/95
APPROVED BY VICE PRESIDENT FOR STUDENT AFFAIRS 6/1/95
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MAJOR REVISION 2/1/01, VPSA APPROVAL 9/26/01
MAJOR REVISION (Organization Funding) 11/8/01, VPSA APPROVAL 1/14/02

Section I – Authority

The Marquette University Student Government (MUSG) Financial Policies define the policies and procedures which pertain to the collection and distribution of MUSG funds, as mandated by Article VIII of the MUSG Constitution.

Section II – Definitions

- A. *MUSG Annual Operating Budget* – Comprised of revenues from the MUSG portion of the Student Activity Fee (SAF) and derived funds and their disbursement for the fiscal year of July 1 to June 30.
- B. *MUSG Budget Committee* – Standing committee of MUSG responsible for compiling and submitting annual budget recommendations in accordance with the Financial Policies (Section VI). Voting members shall be the Financial Vice President as Chair, President, Program Vice President, one Academic Senator, one Residential Senator and the Dean of Student Development or designee. In the case of an emergency absence of the Financial Vice President, the Controller shall serve as Chair. Member senators shall submit an application to the Legislative Vice President, which in turn would be distributed to the Senate as a whole before elections. Upon reviewing said applications, the Senate will appoint a candidate by an affirmative vote of a majority of the present Senate. Academic and residential member senators shall be appointed at the second Senate meeting following the spring and fall elections respectively and shall serve for one calendar year. In the case of a vacancy, another Senator shall be appointed in the same manner at the first Senate meeting following the vacancy and shall serve the remainder of the original term.
- C. *Student Organizations Allocations Committee (SOA)* – Standing committee of MUSG responsible for compiling and overseeing the periodic allocations of the Student Activity Fee as it pertains to club sports teams and registered student organizations in accordance with the Financial Policies (Section VI). Voting members shall be the Executive Vice President as Chair, Financial Vice President, Program Vice President designee, two Academic Senators, and two Residential Senators. The Dean of Student Development or designee shall serve as an advisor to this committee and must be present for deliberation and voting on allocations. Member senators shall submit an application to the Legislative Vice President, which in turn would be distributed to the Senate as a whole before elections. Upon reviewing said applications, the Senate will appoint candidates by an affirmative vote of a majority of the present Senate. Academic and residential member senators shall be appointed at the second Senate meeting following the spring and fall elections respectively and shall serve for one calendar year. In the case of a vacancy, another Senator shall be appointed in the same manner at the first Senate meeting following the vacancy and shall serve the remainder of the original term. No Senator may occupy seats on both the Budget Committee and Student Organizations Allocations Committee at the same time.
- D. *Student Activity Fee (SAF)* – Shall be assessed by the University against the membership of MUSG (Constitution, Article II). The MUSG portion of the SAF shall be collected by the University for MUSG, subject to a reasonable collection fee agreed upon by the University Comptroller and the Financial Vice President. Changes to the amount of the MUSG portion of the SAF shall be subject to approval by a two-thirds affirmative vote of the seated Senate and action by the President. Any proposal to change the MUSG portion of the SAF for the upcoming fiscal year must be approved by the Vice President for Student Affairs and submitted to the University Budget Committee no later than October 1. The change must then be approved by the University Budget Committee.
- E. *Derived Funds* – Funds derived from MUSG-sponsored qualifying student services, or any interest earned on the investment of MUSG funds in the Reserve Fund.
- F. *Capital Goods* – Office or office-related equipment whose useful life is greater than one year and cost is greater than one thousand dollars.

- G. *Operating Expenses* – Current expenses not directly related to a qualifying student service, or office or office-related equipment whose useful life is less than one year and cost is less than one thousand dollars.
- H. *Qualifying Student Services* – Any service, event or activity open to the entire membership of MUSG, which is beneficial to the University community.
- I. *Recognized Student Organization* – Any student organization, including MUSG, which has been fully recognized by MUSG, and has been approved by and is in good standing with the Office of Student Development.
- J. *Reserve Fund* – A fund created by MUSG and the University to maintain excess funds remaining from the annual operating budget and any funds set aside from the annual operating budget (Section V).
- K. *Sponsor* – Any recognized student organization, including MUSG, which sponsors a qualifying student service.
- L. *Charitable Contribution* – Any donation of monetary funds to a person or an organization.

Section III – Funding for Recognized Student Organizations

- A. The sponsorship of a qualifying student service does not guarantee financial support, but ensures only that the requirements of a proposal shall be considered when an organization applies for financial support from MUSG. The organization must describe, in detail, the proposal itself, its monetary requirements and its benefit to the University community.
- B. MUSG may fund only the qualifying student services of recognized student organizations other than MUSG, and not the organization or its operating expenses. Capital goods or operating expenses are not funded by MUSG for any recognized student organizations other than MUSG. Miscellaneous or noncurrent expenses shall not be funded by MUSG for any organization other than MUSG.
- C. Expenses for Club Sports which may be considered for funding shall be: team, coach, and fan transportation and lodging, field or facility rental, officials, salaries for non-playing coaches, first aid supplies, league fees, entry and tournament fees and publicity for events.
- D. MUSG reserves the right to request the financial records of a recognized student organization prior to the allocation of funds.
- E. The Student Organizations Allocations (SOA) Committee shall review applications for disbursement of the SAF as it pertains to registered student organizations and club sport teams.
 - 1. Any funding request application for the allocation of the SAF shall be submitted to the Financial Vice President no less than one week prior to its consideration by the Committee. Exceptions can be made at the discretion of the Financial Vice President.
 - 2. No sponsor will be permitted to receive SAF funds in more than three (3) allocation periods per year.
 - 3. Allocation cannot be approved for qualifying student services that have already taken place (e.g. an event that occurred before the consideration of the funding request application).
 - 4. A recommended allocation receiving four of seven possible affirmative votes from members of the Committee shall be considered approved for funding.
 - 5. A recommended allocation that is greater than \$750 must receive five of seven possible affirmative votes from members of the Committee for approval.
 - 6. A recommended allocation that is greater than \$1500 must receive five of seven possible affirmative votes from members of the Committee for approval. In addition, the recommendation will be forwarded directly to the Senate for consideration at the next scheduled Senate meeting. The recommended allocation amount may not be increased by the Senate, but may be approved as recommended or decreased. The recommendation must be approved by a majority vote of the seated Senate.
 - 7. A report of the decisions of the SOA Committee shall be made by one of the senators on the Committee at the next scheduled meeting of the Senate.
 - 8. A sponsor may appeal the recommended allocation of the SOA Committee. The appeal must be submitted in writing within one week of notification of the allocation decision. The Budget Committee shall review appeals. The Budget Committee can approve a new recommended allocation with four of six possible affirmative votes. Without four affirmative votes for a new recommended allocation, the appeal is considered to be rejected. Decisions of the Budget Committee are final and close the appeal process.
- F. Any qualifying student service that receives funding through the SAF is also subject to approval through the appropriate process managed by the Office of Student Development. Any sponsor of a qualifying

student service that receives a funding allocation but does not subsequently receive event approval from the Office of Student Development cannot be reimbursed.

- G. All financial documentation pertaining to qualifying student services must be submitted with the sponsor's External Check Request Form no later than thirty (30) days after the event has taken place or by June 1 of the fiscal year during which the funding was allocated, whichever occurs first. Any documentation received after these deadlines may result in denial of reimbursement relating to those expenses.
- H. Any funds that are not utilized by a sponsor shall return to the collective portion of the SAF that is designated for sponsors of qualifying student services.
- I. Any publicity for qualifying student services sponsored by recognized student organizations other than MUSG and funded by the SAF must include the phrase "Supported by the MUSG Student Activity Fee." Failure to do so may result in denial of the reimbursement.
- J. On April 1, the calendar of deadlines for funding request applications during the following fiscal year shall be published and distributed to all recognized student organizations by the Financial Vice President. This schedule shall include three funding opportunities in the fall term and three in the spring term. In addition, one funding deadline shall occur in mid-April for consideration of funding request applications for qualifying student services occurring in the first five weeks of the fall term.
- K. As the sponsor of a qualifying student service, a recognized student organization may approach the Program Vice President in order to propose co-sponsorship of a service. The Program Vice President shall then present the proposal to the Program Board. In order to receive funding from both the Program Board and the Student Organization Allocation Committee, a qualifying student service must have the approval of both the Program Vice President and the Financial Vice President.

Section IV – The Reserve Fund

- A. The Reserve Fund shall be available to purchase capital goods or other office related equipment for MUSG. The minimum amount allocable for such a purchase shall be \$500.00.
- B. The Reserve Fund shall be available to solely sponsor or to subsidize the sponsorship of a qualifying student service.
 - 1. The service shall be sponsored by MUSG.
 - 2. Any service not sponsored by MUSG on an annual basis may be solely sponsored by this fund.
 - 3. Any service sponsored by MUSG on an annual basis may be subsidized, but not solely sponsored by, this fund.
 - 4. The service may generate revenue, but shall not generate profit. Any net revenue shall be divided proportionally to the amount of co-sponsorship/guarantee.
- C. To allocate any funds from the Reserve Fund, a proposal shall require a majority affirmative vote of the Budget Committee before it is submitted to the Senate in the form of a bill. A two-thirds affirmative vote of the present Senate and action by the President are necessary to approve the bill. Upon approval by MUSG, the Vice President for Student Affairs, or designee, must approve the bill before any funds from the Reserve Fund may be allocated.
- D. If the balance of the Reserve Fund falls below ten percent (10%) of the MUSG annual operating budget, a budget line shall be included in the next annual operating budget to set aside funds for the Reserve Fund. This budget line shall not be greater than five percent (5%) of the annual operating budget and shall continue on an annual basis until the balance of the Reserve Fund is equal to or greater than ten percent (10%) of the annual operating budget.

Section V – The Annual MUSG Budget Process

- A. Each department of MUSG must submit a budgetary request application for all qualifying student services. Budgetary request applications for the next fiscal year shall be made available by the Financial Department no later than the first week of December and must be submitted to the Financial Department no later than the first week of February. The application must detail each category of expenditure or anticipated commitment, and revenue or anticipated revenue from the service. Failure to complete the application accurately and promptly may result in the denial by the Budget Committee to review the application.
- B. The Budget Committee will prepare a statement of the projected annual operating budget for the next fiscal year. The statement shall list the following:
 - 1. The projected revenue from the MUSG portion of the SAF, as agreed upon by the Budget Committee and the University's Office of Finance.

2. The projected amount of revenue from derived funds, as agreed upon by the Budget Committee and the Office of Student Development. These funds shall be allocable only to MUSG.
 3. The total funds allocable, which shall equal the total revenues minus the University collection fee and any funds set-aside for the Reserve Fund.
 4. The amount of funds available for allocation to recognized student organizations by the Student Organization Allocation Committee through the process outlined in Section III. This amount shall be a figure that is not less than 33% of the SAF.
- C. The Financial Vice President shall then prepare a consolidated statement of the budgetary requests proposed by all internal MUSG departments. The Budget Committee shall then be responsible for adjusting budget requests and all projected expenses and revenues until the aggregate of all budgeted expenses is equal to projected revenues.
 - D. Upon submission of the final recommendation of the Budget Committee, the Senate shall consider the acceptance of the budget, in accordance with the Budget Approval Procedures. To accept the budget as submitted shall require a two-thirds affirmative vote of the seated Senate. To amend the recommendations of the Budget Committee shall require a majority affirmative vote of the seated Senate. In no event may the budgeted SAF revenues, the University collection fee or any funds set aside for the Reserve Fund, as established by the Budget Committee, be amended by the Senate. The Senate may approve less than the other budgeted revenues.
 - E. Senate budgetary approvals shall not be open to reconsideration, except upon a three-fourths affirmative vote of the seated Senate. Such action shall not affect the obligations already incurred pursuant to the initial approval.
 - F. The sponsors of a qualifying student service desiring to modify the approved request for funding may request to redirect funds between budget lines in the approved budgetary allocation of that sponsor. Budgetary reallocations of up to \$100.00 may be made by the Financial Vice President. Budgetary reallocations greater than \$100.00 but less than \$500.00 may be made by the Budget Committee. These reallocations shall not require the approval of the Senate, if the Senate is informed of the reallocation no later than the first Senate meeting following the reallocation. Any budgetary reallocations exceeding \$500.00 in a given year shall be recommended by the Budget Committee and require approval by a two-thirds affirmative vote of the seated Senate.
 - G. In a year in which student enrollment is higher than expected, there may arise unanticipated revenue from the MUSG portion of the SAF. The amount of unanticipated revenue which shall be available for allocation shall be determined by the Budget Committee. After the unanticipated revenues have been deposited into the MUSG account, all sponsors of qualifying student services shall be notified of the unanticipated revenues and shall receive no less than five class days notice of the deadline for submitting applications for additional funding. The Budget Committee shall review the applications and submit to the Senate a recommendation for the allocation of these funds. A two-thirds affirmative vote of the seated Senate shall be required to approve the recommendation.

Section VI – Expenditure Procedures

- A. All revenues to the credit of MUSG shall be deposited into an authorized MUSG account by the Financial Department in the identical form in which it was received. The Financial Vice President shall ascertain the account which is entitled to the revenues, under the approved budget, and shall transfer the deposit accordingly to the appropriate accounts.
- B. Final budgetary allocations to sponsors of qualifying student services may be expended or obligated only to the extent that balances are available in the current MUSG account of the sponsor, and that the balance is properly attributable to the particular expense or obligation incurred. Obligations incurred by a contract, purchase requisition or other deferred payment arrangement must be approved, in advance, by the Financial Vice President and shall act as encumbrances against the budget balance.
- C. A sponsor of a qualifying student service having adequate funds available in its account, and seeking reimbursement for cash paid out on behalf of the sponsor, may apply to the Financial Vice President for repayment, via check, out of the appropriate budget line, only if the purchase is deemed in accordance with the MUSG Financial Policies by the Financial Vice-President and sufficient documentation is presented. Cash vouchers must be signed first by the Financial Vice President, and countersigned by the Dean of Student Development or designee. When the application is for reimbursement, paid receipts or a contract must accompany the application. Cash vouchers shall be charged, upon issuance, to the account of the respective sponsor.

- D. Any sponsor of a qualifying student service, having an adequate balance remaining in its budget allocation and seeking to contract or procure facilities, goods or services authorized by the budget, must apply to the Financial Vice President for a purchase requisition or contract approval. University approval shall be secured for any such contract or agreement.
 - 1. Prior to any contractual agreements being made, the approval of the Program Vice President is necessary to ensure that an adequate balance remains in the appropriate account. With this approval, the sponsor may request the contract from the vendor, which then must be submitted to an authorized Student Development administrator. If the contract amount exceeds the signature authority for this individual, he/she will mark the contract and forward it to the University's General Counsel and to the Vice President of Finance for approval. It shall be the responsibility of the sponsor submitting the contract to provide all cooperation, documents and data necessary to ensure the prompt and efficient processing of such procurement applications. The sponsor shall be solely responsible for obtaining payment for an approved contract.
 - 2. Applications for a purchase requisition shall be obtained from the Financial Department. Applications must include complete specification of the facilities, goods or services to be procured, a statement of the approved budgetary categories to which they relate and a statement of the net cost to be paid. The Financial Department shall submit the documents for regular processing through the Office of Student Development to the University Purchasing Department or University Comptroller's Office, as appropriate.
- E. Upon actual receipt of any goods or services, the Financial Department shall verify the receipt of the goods or services, determine the approved budgetary categories to which the expense relates and begin the appropriate check processing procedures. A check request form shall then be prepared by the sponsor unless a purchase requisition but has been filed. A check authorization form shall be completed and signed by the Financial Vice President and countersigned by the Dean of Student Development, or designee. The process is completed when the Financial Vice President obtains the signature from the University's Office of Finance on a University check by which all accounts are paid.
- F. Applications for funding or expenditures for qualifying student services submitted by a recognized student organization shall be processed only if signed by the organization's president or financial officer, or both. The signatures of these officers shall be on file by the Financial Department. At no time shall total amount of funding allocated to a particular group be exceeded.
- G. On a continual basis, the Financial Vice President shall review the transactions of each MUSG –funded sponsor. If it is determined that the sponsor did not monitor the respective budget accurately by overspending or by failing to earn anticipated revenues, the Financial Vice President shall issue a written warning indicating that any further deviation from accepted procedures shall result in the termination of the sponsor's spending privileges in all budget lines. If the deviation continues, the Financial Vice President shall enact the warning. The decision of the Financial Vice President may be appealed to the Budget Committee. Reinstatement of budgetary privileges may be authorized by the Financial Vice President when all deviations from accepted procedures have been corrected.

Section VII – Annual Audits

- A. The financial records of MUSG shall be made available at the close of every other fiscal year to an internal auditor who shall prepare an annual audit report. This will require the assistance of the current and immediate past Financial Vice Presidents to the extent and for the purposes requested by MUSG, the University or the outside auditing firm.
- B. External audits may be conducted by an External Auditor as requested by MUSG or the University.

Section VIII – General Provisions and Violation of the Financial Policies

- A. The Financial Policies do not authorize MUSG, any student or organization to incur any fixed or contingent liability, or to pledge or encumber the assets or credits of MUSG, the University or any recognized student organization. The authority to incur a liability is granted only when written authorization is issued, via the signature of the Financial Vice President and an authorized Student Development administrator, in accordance with the accepted procedures of the Office of Student Development. No student or group shall ever represent itself as having such authority, or attempt to contract directly in the name or on the credit of MUSG, the University or any student organization.
- B. All verbal and written contractual agreements made by MUSG, any student or group with outside organizations providing goods or services for a fee must be made pursuant to University Business Policies

and Procedures. In arranging for such delivery of goods and services neither MUSG, nor any student or group shall attempt to directly enter into such a contract in the name or on the credit of the University or any student group, or represent itself as having the authority to do so. All students or student groups making such arrangements are legally and ethically responsible for payment until University approval of such arrangements is secured by the processing and signing of the contractual agreements through the Office of Student Development.

- C. No student or organization shall be entitled to claim any form of monetary compensation for time, work or services spent or performed on behalf of any qualifying student service, except in accordance with the terms of any contractual agreement for fair and mutual consideration.
- D. No service funded by, sponsored by or under the auspices of MUSG shall be directed or controlled by any person or organization other than MUSG, the University or a participating recognized student organization, except in accordance with the terms of a contractual agreement for fair and mutual consideration.
- E. No service funded by, sponsored by or under the auspices of MUSG shall contribute, either directly or indirectly, to the economic or political benefit of any person or organization other than MUSG, the University or a participating recognized student organization, except in accordance with the terms of any contractual agreement for fair and mutual consideration.
- F. No MUSG funds shall be used for fundraising or charitable contributions, nor to offset the expenses related to fundraisers for charitable organizations. This clause does not apply to qualifying student services that are service projects for Marquette undergraduate students.
- G. Violation of the Financial Policies may result in action taken by MUSG and/or the University. MUSG action may include, but not be limited to, a written warning, limitation of responsibilities or the impeachment and removal from office. University action may be taken through the student conduct process.

Section IX – Amendment of the Financial Policies

These Financial Policies may be amended by a two-thirds affirmative vote of the seated Senate. The amendment shall become effective after approval by the MUSG President and the Vice President for Student Affairs.

Amended 5/1/03 – Auditing Timeline

Amended 9/23/04 – Executive VP replacing Financial VP as SOA Committee Chair

Amended 2/10/05 – Increased portion of Activity Fee to SOA to no less than 33%

Amended 9/15/05 – Appointment process for SOA and Budget Committee Senators

Amended 10/27/05 – Elimination of SOA \$750 Limit Lift Form and clarification of receiving funding from both SOA and the Program Board

Amended 12/1/05 – Clarification of charitable contributions

Amended 5/3/07 – Modified voting procedure for SOA and Budget Committee Senators