INTRODUCTION

Purdue University policy requires that all recognized Student Organizations who have financial activity operate their account through the Business Office for Student Organizations.

OFFICE LOCATION: Business Office for Student Organizations

Room 213 Schleman Hall

OFFICE HOURS: 8:00 A.M. - 5:00 P.M., Mon. - Fri.

OFFICE TELEPHONE NUMBER: 494-6724

http://www.purdue.edu/business/uco/BOSO/

http://www.purdue.edu/univregs/studentorgs/index.html

The purpose of the Business Office for Student Organizations is to provide financial oversight to all recognized student organizations by:

1. Providing accounting and business services.
2. Providing uniformity in accounting records and procedures.
3. Providing procedures for proper accounting of funds.
4. Establishing continuity between business officers and their successors.
5. Providing auditing services.
6. Assisting organization officers in keeping their activities on a sound business basis.
7. Assisting and educating organization officers on financial planning and financial responsibilities.

The Business Office for Student Organizations should be contacted concerning Purdue University Policies and Procedures as they relate to student organization accounting procedures.

The Student Activities and Organizations, Office of the Dean of Students should be contacted when planning events and activities. Questions pertaining to University policies on fund raising, soliciting, advertising support, charitable activities, and other programming questions should be directed to the Office of the Dean of Students, Room 250, Schleman Hall, or call 494-1231.

Events/activities and travel must be registered in advance on an Event Planning Form or Travel Planning Form and approved by the Office of the Dean of Students.

SOCIAL EVENTS AND ACTIVITIES sponsored by student organizations must be scheduled on an **Event Planning Form**, **(EPF)** which is available in the ODOS, Room 250, Schleman Hall. The EPF should be submitted for approval at least two weeks prior to the event or activity. Larger activities such as concerts, athletic competitions, roundtables, etc. may need in excess of four weeks for approvals. The additional time is needed for the various other departments to review the activities and documents pertaining to the specific activity. See **http://www.getinvolved.purdue.edu/**

All **TRAVEL ACTIVITIES** sponsored by student organizations must be scheduled on a **Travel Planning Form**, which is available in the ODOS, Room 250, Schleman Hall. See **http://www.getinvolved.purdue.edu/.** The TPFprovides a detailed description of the travel planned by a student organization as well as financial details of the trip. The treasurer should retain a copy of the approved form in order to submit with all check requests relating to the trip. The TPFshould be completed at least two weeks prior to the travel date.

Part 7 — Regulations and Procedures for Recognized Student Organizations

Section VII — Financial Arrangements

B. Financial Responsibility of Student Organization Officers

A student who through neglect or dishonesty fails in his/her duties as an officer of any student organization:

1. To collect amounts due, or to pay the organization's debts legally incurred by him/her; or
2. To account for cash received and expended by him/her; or
3. To account for other property entrusted to him/her as an officer of a student organization, shall be referred to the Office of the Dean of Students for appropriate action.

http://www.purdue.edu/univregs/studentorgs/index.html

OFFICER CHANGES

At the beginning of the school year, and upon election of new officers, each student organization must renew their signature card with Business Office for Student Organizations. The treasurer, president, and advisor must sign the signature card before financial transactions can occur.

The Business Office for Student Organizations provides a PowerPoint presentation on the website for all new treasurers and presidents. The PowerPoint provides the officers a brief description of the policies, procedures and services of the Business Office for Student Organizations. Call the Business Office for Student Organizations for more information or visit the website at www.purdue.edu/BOSO.

ACCOUNTING DOCUMENTS

As treasurer you will be working with the following documents and items.

Example 1. Record of Dues Collected
Example 2. Participant Roster
Example 3. Merchandise Sales Report (BOSO 3-part form)
Example 4. Ticket Sales Report (BOSO 3-part form)
Example 5. Inventory Control Report
Example 6. Deposit Slip (BOSO 3-part form)
Example 7. Income Codes
Example 8. Expense Codes
Example 9. Check Request Form (BOSO 3-part form)
Example 10. Check Advance Request (BOSO 3-part form)
Example 11. Change Fund Request (BOSO 3-part form)
Example 12. Service Contract
Example 13. Fund Raising Sales Contract
Example 14. Student Organization Supporter Agreement & Addendum
Example 15. Scholarship Award Form
Example 16. Cash Control Ledger
Example 17. RSC Clubs Trip Req Form **(www.purdue.edu/recsports)**
Example 18. Contest – Tournament Prize Form
Example 19. Equipment Purchase Form (BOSO 3-part form)
Example 20. Split Charity Letter from the Non-profit agency
Example 21. Fund Raising Sales Agreement w/credit cards

BOSO 3-Part forms available SCHL, RM 213

ODOS forms available online at http://www.getinvolved.purdue.edu/

GENERAL OPERATING PROCEDURES

All cash and checks received by the student organization must be deposited to the student organization's account. **DEPOSITS** should be made promptly (within 30 days) at the Bursars office, Room 3 in Hovde Hall using Student Organization Deposit Slips.

The Bursar Office is open Monday thru Friday, 8:30 a.m. to 12:00 p.m. and 1:00 p.m. to 4:30 p.m.

All disbursements must be made by Student Organization Check regardless of the nature of the expenditure.

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The Business Office furnishes Deposit Slips, Checks Requests and Cash Control Ledgers for student organizations. A listing of Income and Expense codes are also provided so that a code can be assigned to each financial transaction.

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The treasurer should deposit checks written to the student organization following University procedures for collecting cash/checks on a timely basis. In general, money collected for the University from any source must be deposited with the Bursar:

- Daily if $1,000 or more has been collected;
- When $1,000 has been accumulated from collection over a period of days in the same week; or
- At least once a week if the amount collected is less than $1,000;
- Daily, regardless of amount, if management determines appropriate or if security risks exist for the department i.e. inadequate overnight storage facilities, etc.

Any student organizations making deposits longer than the normal deposit requirements increase the likelihood of theft, NSF or Account Closed returned check items.

Individuals whose checks are returned unpaid from a bank will be assessed a $27.50 handling fee. Individuals are notified of these unpaid checks by Business Office for Student Organizations. Students who fail to make payment on these checks within 10 days will have their academic records encumbered.

If the treasurer holds a check payable to the student organization for a period of time greater than 30 days and a $27.50 handling fee results (account closed or NSF), the student organization's account will be assessed the handling fee.

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Student organization funds cannot be used for the purchase of tobacco products, alcoholic beverages or related expenses.

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If your organization has a permanent office address or box number (such as RSC, PMU or Stewart Center) all correspondence will be sent to this address. If your organization does not have a permanent office or box number, all correspondence will be mailed to the attention of the treasurer and sent in care of the Faculty Advisor at their campus address.

ACCOUNTABILITY OF FUNDS

Accountability for all funds collected by the student organization is the responsibility of the treasurer. Accountability can be established in several ways:

A) The treasurer can maintain a **Record of Dues Collected** for club dues, which include the members name, amount of dues paid, and date of payment. A **Participant Roster** can also be used for other activities whenever the club is collecting fees from several individuals. Blank roster forms are available at the Business Office for Student Organizations and on the website at www.purdue.edu/BOSO **(See example 1, 2)**. A treasurer can choose to issue a duplicate numbered receipt for all dues, fees, assessments, and other income received.

B) In order to provide accountability of **MERCHANDISE SALES** activity and **TICKET SALES** activity, recognized student organizations may be issued a Merchandise Sales Report, Inventory Control Report or a Ticket Sales Report.

C) A **Merchandise Sales Report** may be issued by BOSO to record the original inventory purchased. The treasurer will submit the Merchandise Sales Report on the 5th day of each month to the BOSO office. The updated reports will reflect the sales from the previous month and an accurate count of the remaining merchandise. **(See example 3)**

D) A **Ticket Sales Report** may be issued by BOSO to record the income from a specific student organization event. Numbered ticket rolls are available at the BOSO office at no charge to the student organization for use at their approved events. **(See example 4)**

E) A **Inventory Control Report** is generally used by organizations that have a larger inventory of merchandise (store/lounge operations). These reports are also due to the BOSO office on the 5th day of each month. **(See example 5)**

F) It is recommended that the organization maintain a completed copy of the Merchandise Sales Report, Ticket Sales Report or Inventory Control Report in their financial record book. These reports, when completed will provide the organization and its members a record of deposits and a summary of the sales event.

G) The above forms are reviewed for accuracy by Business Office for Student Organizations. Procedures regarding the completion of sales and ticket reports are initially discussed with the student organization prior to an event or activity when the organization members are completing the Event Planning Form.

DEPOSIT OF FUNDS

The Student Organization Deposit Slip **(See example 6)** should be filled out so that all sources of income are identified and coded with the proper Income Codes. Additional information required on the deposit slip would include:

A) The Student Organization Account Number as well as the Organization Name.
PLEASE DO NOT USE ACRONYMS.

B) Individual's name that prepared the deposit slip and date.

C) Income Codes **(See Example 7).**

D) Clear information as to source and description of funds being deposited.
Clear information includes from whom you received the funds, check number and specific purpose of funds.

The treasurers of the Student Organizations are required to maintain written information to support each entry listed on the Deposit Slip. If membership dues are collected, a Record of Dues Collected should be completed. The organization may also use a numbered duplicate receipt which should be maintained in the student organization records.

Duplicate receipts should be numbered and these numbers recorded on the deposit slip. By listing the receipt numbers the treasurer can document the source of dues, fees, assessments or other income received by the organization. If a **Record of Dues Collected** is used the deposit number should be recorded on the form. The Business Office for Student Organizations may contact the organization for backup documentation of funds deposited.

Donations: All checks received as donations ($100.00 or more) to the organization from an individual or business should be provided to the BOSO office, prior to depositing. A copy will be made by BOSO and submitted to the University Development Office for tax credit and acknowledgement by Purdue University.

Gift-in-Kind donations to the organization also need to be acknowledged on the Presidents Office Form No. 41B. The organization officers will provide the details of the items donated to the organization on the form and BOSO will submit the signed form to the University Development Office for acknowledgement to the donor.

Please contact BOSO if you have any questions about donations.

DISBURSING FUNDS

A. STUDENT ORGANIZATION EXPENDITURE PROCEDURES

Payments from student organization accounts are processed using the student organization check writing system. Data entry of expenditure information will be processed into the system that will produce the computer generated checks. Check requests received by Business Office for Student Organizations will be batch processed and will be ready for pick-up in two (2) business days or mailed out in three-four (3-4) business days.

The student organization check request form along with **original receipts or invoices** should be submitted to the Business Office for Student Organizations for payment processing **(see example 9)**. The check request form should be completed thoroughly including all information and signatures. The original receipts or invoices, which support the check, should be paper clipped or stapled to the check request form. The Business Office for Student Organizations is required to retain the original receipts or invoices.

> If copies of the invoice or receipts are needed by the organization, the treasurer should make copies prior to submitting them for payment.

1. The check request form is to be completed by the student organization. The check request must be signed by 2 of the 3 authorized officers (president, treasurer or advisor).

2. The State of Indiana Unclaimed Property Law requires a complete mailing address on each check request. The complete address includes apartment numbers and zip codes. Additionally, the US Postal Service will NOT deliver mail to an apartment complex without the apartment number.

3. The treasurer should review the check request form for accuracy and completeness. This review will insure that the account number, proper expense codes, appropriate supporting documentation and the signature of the individual requesting reimbursement is included. These expense codes are listed on **(See example 8)**. The treasurer should also insure that the signature of either the club president or advisor is included on the check request in addition to the treasurer's approval.

4. If one of the 3 authorized officers (president, treasurer or advisor) is seeking a reimbursement on a check request, the officer to be reimbursed cannot authorize their own payment.

5. The treasurer should retain the pink organization copy of the pre-numbered check request form in order to record the transaction to their cash control ledger. This pink copy should be filed in the organization's financial record book.

6. If the original receipt or invoice is lost or was not provided by the vendor, please contact the BOSO office for details on processing a reimbursement.

7. Supporting documentation - original receipts or invoices should be paper clipped to the white and yellow copies of the check request form. The check request form along with supporting documentation can be dropped off or mailed to the BOSO office.

8. The BOSO staff will audit the check request for final approval.

9. The treasurer has the option of picking up their checks or having the checks mailed directly to the vendor/payee at their US Mail address or at their residence hall. Per the State of Indiana Unclaimed Property Law a complete mailing addresses is required on each check request. The complete address includes apartment numbers and zip codes.

B. If a student organization check requires a stop payment, a bank fee of $30.00 will be required from the student organization. If a check needs to be voided, please return the check to BOSO.

C. PAYMENT TO INDIVIDUALS

1. Credit Card Purchases

When a credit card is used to purchase items for the organization, the following procedures will be used to reimburse an individual.

a) The original itemized receipt, e-purchase receipt or paid invoice must be submitted to BOSO attached to a completed Check Request form.

b) The receipt may be an itemized cash register tape, itemized paid invoice or a detailed web receipt for e-purchases .

c) At restaurants and some commercial vendors it will be necessary to request an itemized receipt prior to placing your order.

d) The credit card signature receipt shows method of payment and is not acceptable documentation to process a reimbursement alone. The credit card signature receipt may show the tip given, but the detailed receipt or invoice is also required for reimbursement.

2. Cash Purchases

If cash purchases are made for the organization, the following procedures will be followed:

a) The original itemized receipt or invoice must be submitted to BOSO attached to a completed Check Request form. The receipt must clearly indicate the charges have been paid.

C. PAYMENT TO VENDORS

1. Purchases on Account

If the organization maintains an account with a vendor, the vendor generally issues a monthly statement. IN ORDER TO PAY VENDORS FOR PURCHASES MADE ON ACCOUNT THE ORIGINAL ITEMIZED CHARGE SLIPS OR CASH REGISTER TAPES WILL NEED TO BE ATTACHED TO THE MONTHLY STATEMENT. Please inform your organization members when charging purchases on an organization account, the original itemized receipt will need to be provided to the treasurer.

Other vendors may have worked with student organizations to extend credit at their discretion. These vendors provide an invoice upon delivery or pickup of orders. The invoices are signed acknowledging the receipt of the food/merchandise by an officer/member of the organization. It is the obligation and responsibility of the organization to submit the invoice with a completed check request to BOSO to process the payment. Do not wait for a monthly statement to be issued as a late charge may be incurred.

2. Direct to Vendors

If the organization wishes to make a payment directly to a vendor, the original itemized invoice will need to be provided to BOSO attached to a completed Check Request form.

D. CHECK ADVANCE AND CHANGE FUND REQUESTS

Under special circumstances there may be times when your organization may need a check advance or a change fund.

A **Check Advance** is an advance of the organization money to be used for large expenses related to organizational needs, (i.e. travel, plane tickets, hotel costs, equipment, etc.). The payment is made directly to the vendor.

A **Change Fund** may be requested as needed for fund raising projects.

There are specific requirements that need to be followed when requesting either a check advance or a change fund. Please contact the Business Office for Student Organizations for procedures relating to these disbursements **(See example 10 and 11).**

E. CONTRACTS

All contracts for Entertainment Groups, Rental Agreements, Speakers or other services obtained for student organization functions must be approved by BOSO prior to incurring the obligation for these services. A majority of businesses and individuals will have their own contract. The contract received should be forwarded with the email it was received on directly to BOSO for processing upon receipt. Contact information should be included within the email to BOSO that designates who has the authority to amend and sign the contract by the contracted party.

University Contracting Group, Risk Management and other departments will be involved in reviewing and approving the contract which may require additional time.

Student organizations may provide an honorarium to a speaker or guest lecturer by processing a Service Contract. The Service Contract must be completed by the organization and signed by the payee. An IRS Form W-9 is required from the payee which will include the tax id and signature of the payee. **The payee IRS Form W-9 should be faxed directly to BOSO 765-496-2208.**

<u>International speakers/guests, etc</u>.: A completed service contract is required to be submitted to BOSO at least four (4) weeks prior to their arrival. An email address of the speaker/guest is required. BOSO will provide an email to the University Tax Department and the speaker/guest for completion of the required tax documents. <u>Payment may NOT be made by individuals in the organization directly to an International speaker.</u>

A gift certificate is not an acceptable form of payment for services provided to the organization. Student organization funds may <u>not</u> be used to purchase gift certificates/cards.

Contracts should be submitted for approval at least two weeks or more, prior to the event or activity.

Contracts involving financial support from an outside source must be developed according to University policy. The BOSO office has developed a "Student Organization Supporter Agreement" for the organizations use. **(See Example 14)**

The Office of the Dean of Students (ODOS) provides a review of all student organization contracts that concern advertising and outside support. The policy on support of a Student Organization Activity by an outside source requires that the ODOS review and clear the copy of all advertising.

BOSO has blank contracts available for your convenience. **(See example 12, 13, 14).**

F. PAYMENT FOR TRAVEL EXPENSE

The following procedure will apply for the expenses related to travel and lodging. A Travel Planning Form must be on file and approved by the ODOS and the BOSO prior to the trip. **Recrecreational Sports Clubs should obtain their Trip Request Form from RSC or www.purdue.edu/recsports.**

1. Prepayment by the Organization:

Payment can be made by a Student Organization check without involving individual member funds by using the following procedures. The following supporting documentation should be submitted to BOSO with a completed check request for processing:

a) Obtain an itemized bill/invoice from a travel agency showing the total cost for a ticket to and from the destination.

b) Obtain a "confirmation" from the hotel/motel showing the number of nights, number of rooms and applicable taxes due for a total cost of the reservation. The hotel business office will fax or email a confirmation out if requested.

c) A check will be issued as a "Check Advance" payable to the hotel. Upon leaving the hotel you will need to go to the front desk to check out and obtain an itemized hotel receipt that reflects the detailed charges and the payment received.

d) An individual may receive expense subsistence based on the approved Federal and University rates as shown on the website http://www.purdue.edu/travel/Subsistence/subsist2.html The club may pay up to the maximum allowable amount or less than the amount shown. (Individuals may not receive both subsistence and reimbursement for actual receipts.)

e) Conference Registration may be paid using a copy of the registration form indicating the amount per member. The names of members should appear on the approved TPF.

THE ABOVE EXPENSES MAY ALL BE PAID PRIOR TO THE TRIP.

2. Payment by the Organization to an Individual:

Reimbursement for travel expenses is recommended to be processed upon conclusion of a trip. In instances where reimbursement or payment is requested prior to the trip, the reimbursement or payment is generally limited to airfare, train, and registration costs. If an individual has made payment(s) by credit card for transportation (i.e. airline or train) or registration fees and wishes to be reimbursed prior to the trip, the following original documentation is required.

The organization needs to understand there is a risk with prepayment of expenses because of the changing status with individual students involved in the trip. The organization must be willing to accept this responsibility if reimbursement or pre-payment of travel expenses is desired.

Any recovery of funds from individual students for prepaid expenses is the total responsibility of the student organization officers.

a) **Airfare/Train –** E-tickets detailing the names of the passengers, payee, dates of travel and amount charged should be submitted with a completed check request. Each online site is different, therefore this information may be on more than one page. You will need to submit all the pages necessary to include all of the above information.
When a "non-refundable" ticket is purchased, then the trip is cancelled by the organization or traveler, flight is missed by the traveler, or the ticket is unused for any other reason, the unused ticket will have no value toward the purchase of another ticket after the departure date and time on the ticket. However, the ticket may be exchanged on or before the departure date and time of each ticketed flight segment. Generally the exchange fee is $100 which may be reimbursable with proper documentation and approval of the organization.

b) **Online Registration –** A "Confirmation/paid receipt/e-payment" received from the conference or agency detailing the name of the payee, attendee's name, dates of conference and the fee charged is to be submitted with a check request. Each online site is different, therefore this information may be on more than one page. You will need to submit all the pages necessary to include all of the above information.

c) **Registration –** Submit a "Confirmation/paid receipt" received from the conference or agency detailing the name of the payee, attendee's name, dates of conference and the fee charged.

The following travel expenses can only be reimbursed after the travel has been completed.

d) **Parking/Tolls/Food/Gasoline –** Original itemized receipts are to be submitted with a completed check request.

e) **Mileage Allowance –** An individual member may use his private vehicle and be paid up to the maximum allowed by Purdue University per mile. See the following website for the rate http://www.purdue.edu/travel/Transportation/Car/privatecar.html#currentrate. Mileage to most common destinations is set by the University. (Individuals may not be paid for both mileage and actual gas receipts. Approval for mileage or actual gas receipts is noted on the TPF prior to the trip.) Attach a copy of Map Quest to the check request to validate miles traveled.

f) Students without an approved MVR prior to their travel may NOT receive financial reimbursement.

G. PURDUE UNIVERSITY BILLS

Purdue University has two Accounts Receivable systems that affect student organizations. They are the Centralized Accounts Receivables System (PSCD) and the Purdue Memorial Union system (PMU). These two systems are used for student organizations that have requested University services and merchandise. Specfic accounts are established for each organization. Student organizations use this system for charging services such as printing, physical plant services, transportation, general stores purchases and banquets, etc.

An invoice will be mailed monthly to the BOSO office. The BOSO office will prepare the check request and forward a copy of the invoice and check request to the treasurer to review. As the treasurer of a student organization, you need to review the invoice in order to verify that the charges are correct. The treasurer will have 10 business days to review the charges. If the BOSO office does not receive any information that the charges are in dispute or incorrect they will be paid.

BOSO reserves the right to pay delinquent University receivable invoices without the consent of the organization if, after review deems this action appropriate.

H. EQUIPMENT PURCHASE FORM

The Equipment Purchase Form **(See example 19)** is to be used by student organizations wishing to purchase capital equipment priced at $1,000.00 or more per item. This form is to be completed by the student organization and approved by BOSO prior to the purchase of any equipment.

GENERAL INFORMATION

A. LIABILITY INSURANCE

Purdue University carries a liability policy covering the activities of student organizations under the direct management of the University and whose finances are under the supervision of the Business Office for Student Organizations.

The policy affords protection to University sponsored student organizations (including their officers and members) while acting within the scope of their duties. Excluded from coverage is any organization not under the direct financial management of the University, any organization whose hazardous activities mandate the purchase of special liability insurance, and activities involving the ownership, maintenance, operation or use of any aircraft.

For some functions and activities, student organizations will be required to submit evidence of a liability insurance policy or obtain special insurance for the event.

B. MEDICAL INSURANCE

Individuals and student organization members involved in student organization activities are responsible for maintaining their own medical insurance coverage.

C. SALES TAX

1. Purchasing Items:

Recognized student organizations are exempt from paying the Indiana sales tax on items that are purchased, retained and used solely by the organization. (Examples: furniture, computers, equipment).

If a vendor requests a sales tax exemption certificate, please contact BOSO. The Indiana Sales Tax Exemption Certificate is issued on a case by case basis.

Purchases for the benefit of any member of the organization or for any other individual, such as all prepared foods, meals, banquets, lodging or gifts, are not eligible for exemption. Therefore, sales tax should always be paid when purchasing these items.

2. Selling Items:

Student organization conducting sales to members or non-members, becomes a retail merchant and must collect sales tax on these sales. The Indiana State sales tax of 7% must be collected by the organization when conducting sales activities.

BOSO calculates the total sales of all student organizations, based on the deposits into the organization account monthly. BOSO generates a check based upon the total student organization taxable sales and remits payment of the sales tax to the Indiana Department of Revenue for the organization. Corrections of entry codes on organization deposits must be made before the 12th day of the month.

Please contact BOSO at any time for clarification of any sales tax questions.

D. AWARDS AND SCHOLARSHIPS

Student organization funds may be used to provide scholarships to Purdue students. These scholarships are intended to provide a grant-in-aid to a student who has attained the character, qualities and activity as defined by the scholarship requirements.

The Scholarship and Award Form is the document used by student organizations to provide information for the awarding of scholarships. **(See example 15)**

All awards and scholarships issued to students by a student organization must be processed through the Bursar/Financial Aid disbursement system. In order to process an award to a student, the organization must submit a check request payable to Purdue University. This check request along with the completed Scholarship Award Form must be submitted to BOSO for processing.

Student organizations may provide awards based upon service, attendance and other virtues associated with awards of merit.

E. GAMES OF CHANCE

Student organizations under the fiscal supervision of BOSO may <u>not</u> conduct games of chance on or off campus. Games of chance include but are not limited to bingo games, raffles, charity games nights, door prize events, or festivals that include prizes from pull tabs, punchboards or tip boards.

F. GIFT POLICY

University Regulations state: “Use of University facilities in any manner that results in financial gain, either directly or indirectly, to individuals or non-University organizations or groups is prohibited.” Based on this regulation, student organization funds may not be transferred as gifts, charitable contributions, or donations to an individual or donations to groups or organizations whose funds are managed outside the control of Purdue University.

Exceptions to Gift Policy

Funds are generated by student organizations from a varied source of activities such as membership dues, activities on campus, activities off campus, donations from individuals, and donations from outside agencies and companies. All funds are collected by the student organization to provide the means to conduct the activities of the club. Funds that are held by a recognized student organization may be expended as approved by the general membership of the organization, provided that the purpose of the expenditure is not in conflict with University regulations and other policy statements of the University.

1. Gifts in Recognition or Appreciation

A student organization often wishes to give a token gift of appreciation to an individual that has provided service or assistance to the club. Organizations may use any funds that have been collected by the organization for this purpose. Gifts would be of a tangible nature.

A maximum dollar limit of $100.00 per item, maximum $100.00 per person, per year, is the allowable total value of the gift.

<u>**Cash, cash equivalent, or gift certificates cannot be given as gifts.**</u>

2. Charitable contributions

A student organization often wishes to give a donation to organizations or groups outside the University who are recognized by the IRS as a 501-c-3 non-profit agencies. Student organizations may use any funds that have been collected by the organization up to $100.00 provided those funds have not been otherwise restricted by third parties.

If the organization wishes to give more than $100.00, the following fund sources are allowable:

- membership dues,
- funds that have been contributed by club members for that specific purpose,
- funds raised through events conducted under the University Charity Policy (see Regulations Regarding Retailing, Commercial Soliciting, Canvassing, Sponsorship and Marketing Activities on the Campuses of Purdue University).

G. CONTEST – TOURNAMENT PRIZE OR AWARDS

A student organization may provide prizes for activities such as judged contests, organized athletic events and games of skill. An Event Planning Form is submitted by the organization to the ODOS and then to BOSO. The EPF will explain the event/activity and the types and approximate value of prizes to be awarded.

Prizes that are **tangible items** such as DVD's, CD's, etc will require the completion of the Contest-Tournament Prize Form. **Tangible awards require a completed IRS Form W-9 if they EXCEED $100.00. The completed IRS Form W-9 should be personally delivered or US Mailed to BOSO by the winner. The IRS Form W-9 must be received by BOSO in order for the check to be processed. The form may be located online at www.irs.gov.**

Prizes awarded in any **monetary** amount will require the completion of the Contest – Tournament Prize Form. This form requires the names of the winners and dollar amount to be paid. **Monetary awards require the completion of an IRS Form W-9 by the winner. The completed IRS Form W-9 should be personally delivered or US Mailed to BOSO by the winner. The IRS Form W-9 must be received by BOSO in order for the check to be processed. The form may be located online at www.irs.gov.**

(See example 18)

Expenditures for prizes relating to games of chance will not be approved.

Plaques and trophies may also be given as awards of recognition in contests and tournaments.

H. SPLIT CHARITY EVENTS

A student organization may conduct solicitations on behalf of qualified charitable organizations **ONLY AFTER RECEIVING APPROVAL FROM THE OFFICE OF THE DEAN OF STUDENTS, RM 250 SCHLEMAN HALL**. The activity, solicitation and disbursement of funds must adhere to the University's Charity Policy and financial procedures as outlined by BOSO.

http://www.purdue.edu/policies/pages/facilities_lands/i_4_4.html See Student Organizations D.

Split charity events which may be defined as a certain percentage split of net proceeds between the student organization and charity has been approved. The following stipulations for a split charity would include the following:

- The charity must receive at least 50% of net proceeds.
- The sponsoring organization must clearly advertise the manner in which the charity will be receiving funds, subject to approval by ODOS.
- A written acknowledgement and approval of the split proceeds by the charity organization representative must be received by ODOS prior to approval of the EPF. The approval by the charity and the percentage of the split must be noted on the EPF prior to submission to BOSO.
- Fraternities, sororities and cooperative housing organizations that do not maintain accounts with BOSO must give their portion of net proceeds to their respective governing council (i.e., Interfraternity Council, Panhellenic Association and Purdue Cooperative Council).

See **(Example 20)** for an example of the letter from the charity for the split event.

I. MEALS/FOOD

Generally, student organization members are only allowed to expense meals and food to the organization account for those sponsored activities pre-approved and scheduled on an Event Planning Form. Impromptu dinners and food purchases that may only benefit one or a few members may not be an appropriate use of organization funds and could be construed as a gift or donation to an individual. Expenditures of this nature may require additional explanation and/or organization approval prior to processing.

J. TIPS

Tips itemized on receipts are generally approved for reimbursement. A tip will be reimbursed up to a maximum of 20% of the total food bill.

K. INTEREST AND FEES

Student organization activity is partially supported by the investment of the collective excess cash balances of the student organizations. These identified funds are invested through the University Investment Department and interest earnings are distributed twice per year to student organizations.

An audit and supervision fee of 1 ½% of gross receipts is assessed each organization to defray partially the cost of operation of the Business Office for Student Organizations.

ACCOUNTING FUNCTIONS

A. BUDGETS

Each student organization should prepare an annual operating budget for internal control and planning purposes. The budget should be reviewed by the president, treasurer and advisor of the club. The treasurer should maintain the budget in the organization's financial record book.

B. CASH CONTROL LEDGER

The cash control ledger **(See example 16)** is used by the treasurer to record the deposits and checks processed to the Student Organization's account. This ledger is similar to your own personal check book register and should be maintained in the treasurer's financial record book.

- Each deposit should be entered and added to the existing balance in the account. (This information should be entered from the treasurers pink copy of the deposit slip.)

- Each check request should be entered and subtracted from the existing balance in the account. (This information should be entered from the treasurers pink copy of the check request form).

- The last figure in the "balance column" should reflect the cash balance in the Student Organization account.

C. RECONCILING MONTHLY STATEMENTS

A monthly statement is mailed to each treasurer every month.

Please verify that all transactions on the printout belong to your organization. If there are discrepancies, report them immediately to BOSO.

- **Deposits** - Deposit numbers and amounts that have been recorded by the treasurer on the Cash Control Ledger should be verified against the monthly statement.

- **Check Requests** - Each check request number recorded by the treasurer on the Cash Control Ledger should be verified against the monthly statement. The check number issued by BOSO should be matched to the check request number and entered on the treasurer's Cash Control Ledger.

- BOSO may make **adjusting entries** to the account under the heading Transfers In and Transfers Out.

D. AUDITS

BOSO conducts audits of the financial activity of recognized student organizations. Audits may be conducted during the school year as they relate to specific activities.