

Welcome to the third module in our online training. In this training, we'll be focused on the financial policies that Trustee Organizations need to know and understand in order to remain in compliance and good standing. Remember from our previous trainings that Trustee Orgs have been entrusted with student fees and you must be good stewards of those assets by managing resources to the maximum benefit for the students that paid the fee. This training is required for all Authorized Signers of the Organization. Each Organization must have 4 authorized signed (the president and treasurer equivalents are required to be authorized signers). We also require this training to any Tier III Officer/Member who may be responsible for the expense of Tier III funds.

Agenda

- 01 Regulatory Umbrella
- 02 Fundamental Financial Obligations
- 03 Authorized Account Signers
- 04 Revenue
- 05 Expenditures
- 06 Events

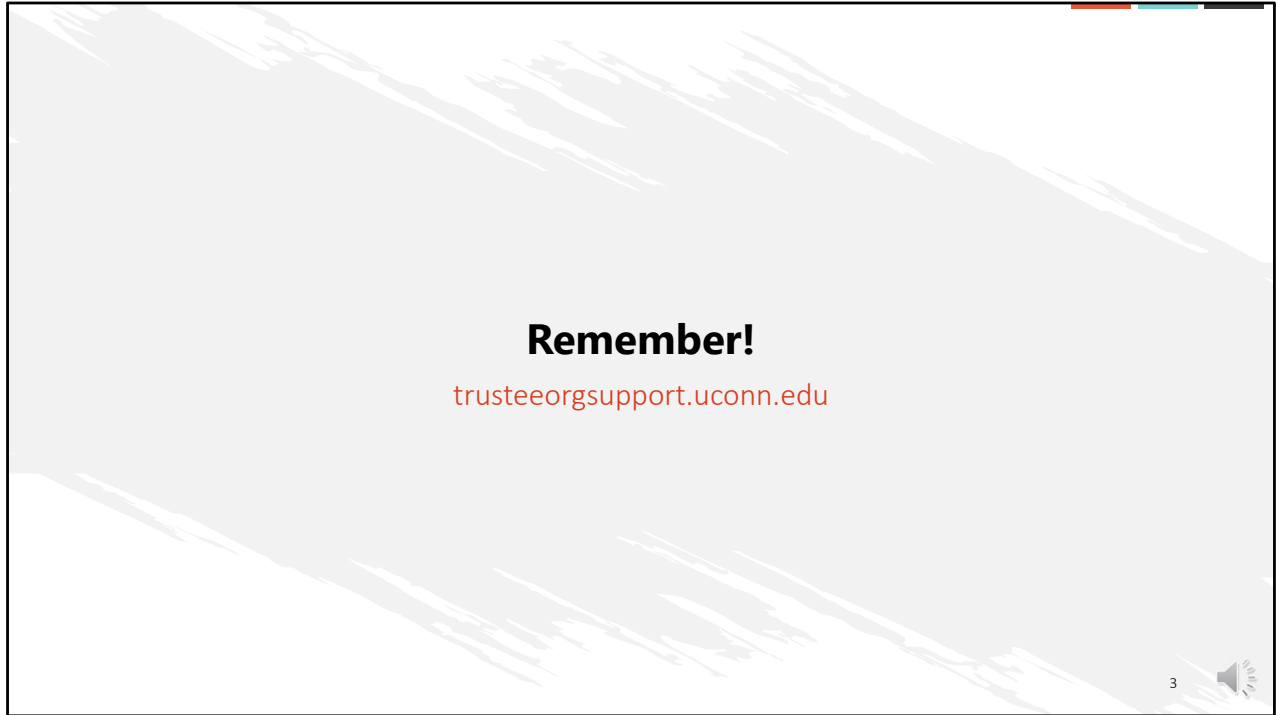
2



Hello again! Thank you for completing the last module. Now we will be covering the Tier III financial policies. This includes:

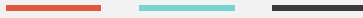
- Click** – Regulatory Umbrella
- Click** – Fundamental Financial Obligations
- Click** - Authorized Account Signers
- Click** – Revenue
- Click** – Events
- Click** – Expenditures

What's discussed here and included in the Policy document represents key financial policies related to the operation of Trustee Student Organizations. It is NOT a complete list of applicable policies but rather those determined to be of significance specifically to Trustee Student Organizations given the nature of their organization and relationship to the University.



Tier III Policies that we will be talking about today can also be found on the TSOS website.

Regulatory Umbrella

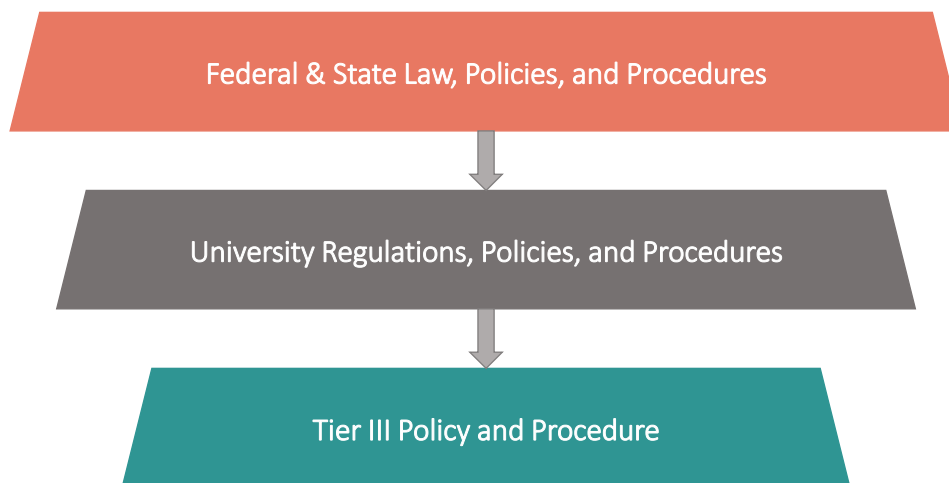


4



Let's start by discussing the regulatory umbrella so you have an understanding of the hierarchy of policies.

Regulatory Umbrella



Trustee Organizations are not only regulated by their own policies and procedures, but also those of the university, as well as Federal and State Law and Procedures. Student Trustee Organizations are regulated through Connecticut General Statutes 4-52 through 4-56 and are responsible for adhering to ALL applicable policies per the State Comptroller's Manual for Trustee Accounts, State Accounting Manual and State Property Control Manual. Student leaders are encouraged to become familiar and refer frequently to these regulations.

CGS Section 4-54 stipulates that the accounts are under the supervision of the President of the University who has delegated the supervision to the Division of Student Affairs, Department of Student Activities, Trustee Student Org Support. The TSOS staff will assist organizations in understanding and adhering to all applicable policies and procedures. Organizations can have their own policies and many could be more narrow than those represented in this presentation but no org policies can be in conflict with the other policies.

Fundamental Financial Obligations

6



The following obligations must be met for your organization to be in good standing with the University. Some of these are basics that your Organization is already operating under, such as a Double Entry Bookkeeping System, Operating on a fiscal year 7/1-6/30, match cash balance to the bank statement (for Storrs that's from SABS and for regionals, their local bank), verify all transactions and double check account code and group in recordkeeping.

Financial Obligations

Adopt a Budget



Submitted to TSOS for Approval



Fiscal Year End



Present Budget to SASFAC Annually

7



- Adopt a budget for each fiscal year. Budgets must be submitted before the last day of finals and before any financial transactions can be executed for the coming fiscal year, July 1 to June 30.
- To continue to maintain your funding from student fees, you will need to "fully participate in the Student Activity and Service Fee Advisory Committee Budget Projection process. There is specific training on the process which includes milestones from September 30 through mid-February." More information on SASFAC budgets and the process will come later.

Financial Obligations

Account Reconciliation and Reporting



Includes:

- Cash Balance
- Income & Expenditures
- YTD Statement of Operations, Monthly Activity Report & Reconciliation Report

8



The next financial obligation you have as an organization is to provide TSOS with a monthly financial statement. Trustee Organizations are required to demonstrate and certify to TSOS by the 5th of the following month (ie: by June 5, for month ending May 31) that :

Cash balances match between their record keeping and their bank account,
Income and Expenditures are fully accounted for by account code, and for those that fund, by group,

Year to date Statement of Operations (essentially a Profit & Loss), Monthly Activity Report and Reconciliation Report and

Other reports as required based on the unique operations of each organization.

Reconciliation must be documented in the organization records and the documentation must also be provided to TSOS.

For storrs groups, SABS will produce a monthly check of the banking activity. Treasurers will be trained on how to compare what's been entered into Wuickbooks and what the bank processed as well as how to report that to TSOS.

Financial Obligations

Outstanding Liabilities



**Ensure all monies owed
to individuals and
businesses are delivered**

9



Your organization is obligated to make sure that all monies you owe to individuals, businesses, and the University are delivered. Trustee Organizations must investigate all outstanding checks, escalate efforts to contact payees and maintain records of all efforts to contact payees until escheatment. For specific information about reimbursement and outstanding checks procedures, please refer to the official tier III policy document. To ensure Org resources are appropriately focused, TSOS will not process any new PR's if any obligations are 45 or more days past due.

Financial Obligations

Inventory Verification



AT LEAST once per year!

10



Remember that minimally once per year, per state of Connecticut regulations, Trustee Organizations must physically verify their inventory. This should happen during Officer transition periods and we encourage both the incoming and outgoing presidents to do this together. The inventory sheets that were validated by the student leaders must be signed and submitted to TSOS through the Uconnect Fundamentals process.

Financial Obligations

Pay University Bill



1. **Authorize for payment at a meeting**
2. **Pay within 15 days**

11



Like we mentioned in the last module, Some charges that your organization will incur are paid by the university on behalf of the organizations. These charges include things like payroll, postage, phone, University ProCard charges, Husky Buy purchases and internal transactions like document production, A/V and catering as well as credits for returned merchandise, market place and internal billing payments. TSOS will provide you with a monthly bill which must be reviewed and then you must authorize the payment of these bills through a vote at a formal meeting and pay your bill within 15 days of the bill date. The procedure for how to review and confirm the monthly bill and submit a check request for payment is provided by TSOS to treasurers and their financial support staff.

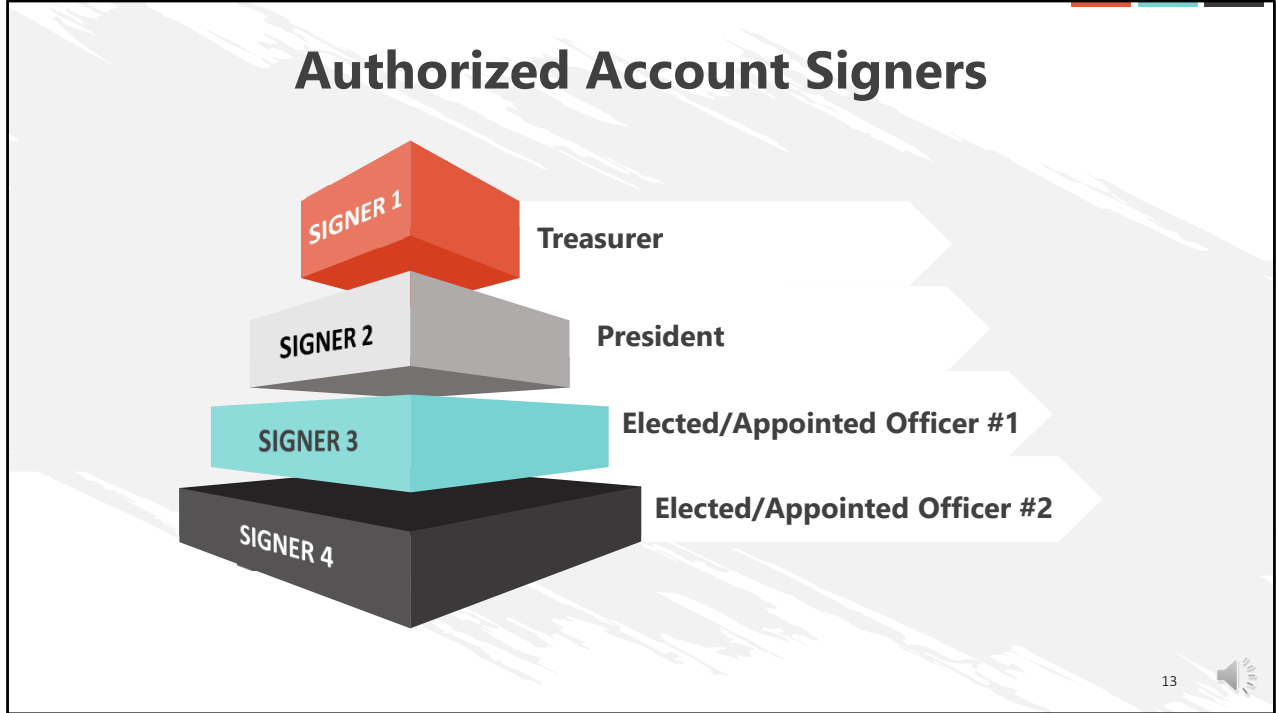
Authorized Account Signers



12



In order to transact business, Trustee Student Organizations must have four authorized signers that execute financial decisions made by your organization or obtain financial information from TSOS or the bank itself, (Student Activities for Storrs Orgs and a local bank for the regional Orgs).



Click – The first account signer is the Treasurer. In addition to being an account signer. The treasurer is the most important officer in terms of asset management to the organization. The treasurer will convey financial information to your organization, which allows your organization to make decisions based on your finances. One part of the treasurer's role is to convey financial information to the rest of the organization so that collectively, they can make fully informed decisions. Another role of the Treasurer is to execute the decisions of the organizations by putting together all the documentation for financial transactions.

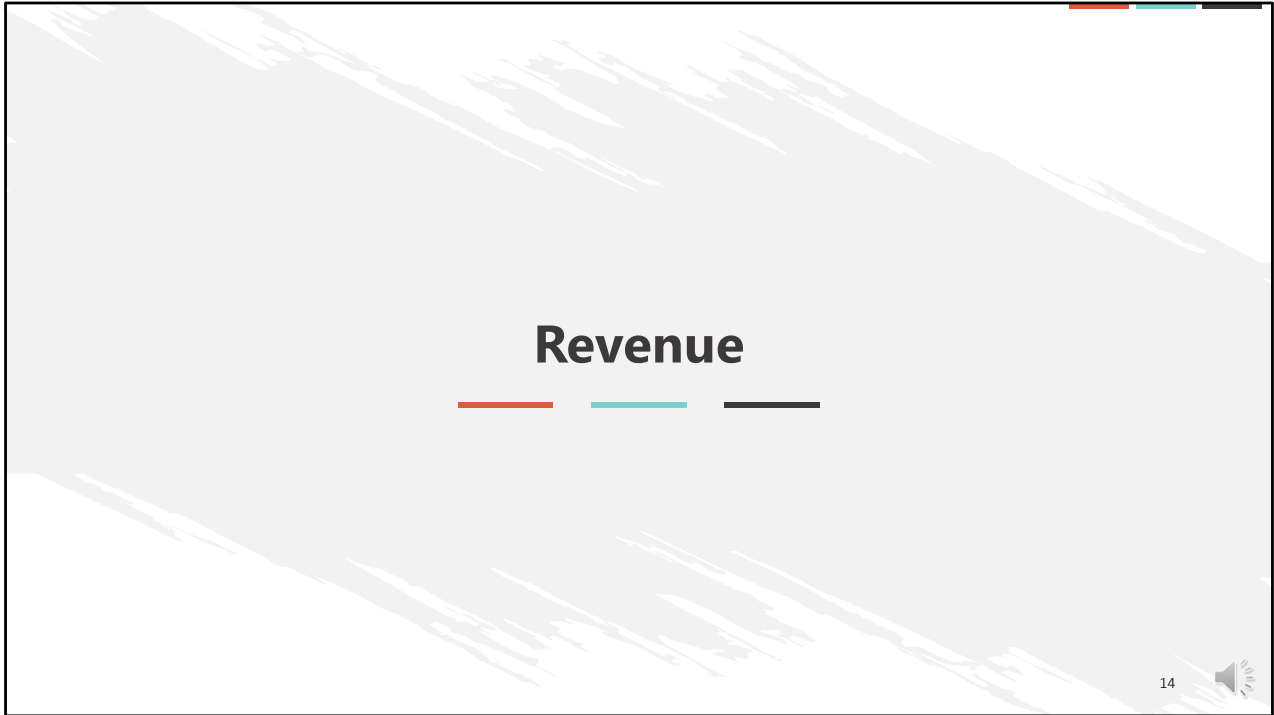
Click – The next authorized account signer is the president

Click - plus two additional elected or appointed officers that are designated by the President on the supplemental org chart excel sheet.

Regional Organizations are also required to have two staff signatories on their local accounts.

Typically two signatures (electronically through the PR system) are required on all purchase requests, and disbursement requests with the two signatures being the Treasurer's and President's. There are cases, however, where an authorized account signer may sign if the Treasurer and or President is unexpectedly unavailable. Another signer must be utilized should a conflict of interest exist for the President or Treasurer, eg. they are the payee. Also, other signers allow for continuity of business should the President or Treasurer be unexpectedly unavailable where time is of the essence for the transaction.

It is important to ensure that signature documentation) is up to date and changes addressed in a timely manner. For example, if one of the authorized account signers resigns from their role in your organization, you will need to notify TSOS immediately who will guide you through the next steps to ensure signers are updated efficiently.



As an organization, you're going to be spending money. But where can that money come from?

Sources of Revenue

- \$ Student Fee Deposits
- \$ Co-Sponsorships
- \$ Paid for Services Rendered
- \$ Contributions
- \$ Charging for a Portion of an Activity
- \$ Tier II Paying Their Portion

15



Click - The majority of your revenue will come from Student Fee Deposits. Remember that your constituents, fellow students, entrust you with money to spend in their best interest that meets your Organization's mission.

Click – You may also have opportunities to co-sponsor an event, program, or purchase with another university office or organization where the other entity provides you with their portion of the expenses and your organization pays all the vendor obligations directly.

Click – Some organizations provide services to the university community and receive money as a result of those services being rendered such as advertising with one of the media organizations.

Click – Occasionally, a donor may contribute to your organization, which must be reviewed by TSOS prior to acceptance

Click – Additionally, your organization may charge for a portion of an activity. In these cases, it is best to avoid collecting cash and, instead, use MarketPlace or One Card

Click – Finally, for funding organizations, you may receive revenue from Tier II organizations that are paying for their portion of their requested funding

All sources of revenue must be fully documented and reconciled. For example, if you are depositing revenue from a ticket sales event, there must be information on the price of the ticket and the number of the tickets sold to equal the deposit amount. For some matters, you will be required to issue an actual receipt and the receipts should add up to the deposit total. If you use Market Place, detailed reports can be run to document the revenue.

Consult with TSOS so we can help your Org plan how to document their revenue.

Revenue

General Policies

- ✓ Sales Tax
- ✓ Depositing Revenue
- ⊘ Petty Cash Funds
- ⊘ Fundraising
- ⊘ Winning Awards
- ⊘ Raffles/Gambling

16



- If Organizations are considering selling items, keep in mind that they are not exempt from having to charge, collect and remit sales tax as Nutmeg Publishing must do when they sell yearbooks to departments.
- Revenue must be deposited intact and Orgs are prohibited from paying any obligations from the revenue prior to deposit. Cash should be deposited at the bank (SABS for Storrs) as quickly as possible but no later than: 24 hours or next business day when total receipts are \$500 or more or 7 calendar days when total receipts are less than \$500.
- Petty cash funds are prohibited.
- Tier II Organizations cannot use student fee money from Trustee Organizations to raise funds of their own, and Tier III Organizations should consult with TSOS prior to engaging in fundraising themselves.
- Organizations that win prizes or awards or are seeking grants must consult with TSOS.
- Trustee Organizations are prohibited from having raffles or anything associated with gambling and should not be using the Miscellaneous Revenue Account Code unless directed by TSOS.

Expenditures

17



Given the nature of your organizations, you will likely be expending money from your budget frequently throughout the year. There are specific policies in place for your guidance. The information provided in the following slides is an overview of expenditure policies. It is highly suggested that you refer to the Tier III policies for more information and greater detail about Tier III expenditure policies. The TSOS website also includes detailed documents outlining procedures, additional education and support tools, and links to relevant resources.

Financial Decisions

- Approved and documented
 - With Specific Motions
- Expenditures should be limited to the term
- Obligation to execute
- Signatory Review
- TSOS Financial Review for Compliance
- Travel must always be approved

18



Click - Expenditures must be approved in meetings and documented in meeting minutes. Remember the Organization can only act in a public meeting.

Click -Motions must be specific and include a clear maximum dollar value. (what is the total amount the Org is comfortable spending on that expense?)

Click –when possible, Expenditures should be limited to the term of the members of the organization – you should refrain from making financial decisions that will impact the organization beyond the extent of your term in leadership. That’s not always possible in contractual obligations which is why your advisors are heavily involved in those situations.

Click -The president and treasurer are obligated to execute the financial decisions of the organization, even if the president and treasurer disagree with the financial decision that was made

Click - Signers must review all expenditure paperwork for compliance and complete documentation.

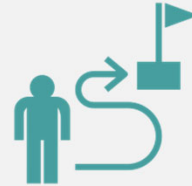
Click – All proposed financial expenditures made by Trustee organizations must be first reviewed by TSOS to ensure complete documentation and compliance with all

applicable laws and policies prior to commitment. Nothing is official until TSOS reviews and approves an expense. This is our fiduciary responsibility.

Click -Travel must always be approved in advance of the travel in meetings if related to organization business, even if the organization will not incur any costs for the arrangements

Purchasing WHY?

- Explain Business Purpose and Justify Cost
- Provide Details
- Consider Goals and Mission



19



The first question to ask yourselves when thinking about a purchase is why. Why does your organization need to make this purchase? Why, or in what way does this benefit your constituents? In order to make purchases, you must justify the cost of the purchase. Who is the purchase benefitting? Does the purchase align with the mission and goals of your organization? How will you justify the purchase and its cost to your constituents if they have questions? If you are not able to answer any of these questions with confidence or clarity, you should reconsider the purchase or seek to better inform yourself on the purchase. Don't assume something is "obvious" - Organizations are required to detail the purpose and justification and it is not up to those reviewing your paperwork to assume or insert that information. This justification for the purpose must be documented in both the minutes of the vote and the purchase request itself.

Purchasing WHEN?

- Start Process as Soon as Possible
- DO NOT pay in advance for goods and services
- DO NOT commit funds without completing the process



20



The next, and the most timely consideration is when this purchase will need to be made. Because we are a large institution that must follow certain processes and protocol, purchases cannot be made overnight. You must start the process as soon as possible for all steps in the purchasing process to be completed.

No student or staff have the ability to sign a contract. Similarly, you cannot commit funds to a vendor on behalf of the organization without completing the entire authorization and documentation process. If you do, you may be held personally liable for the expense. The advance payment for goods and services is permitted only for specific types of purchases like software, insurance and conference registration.

Note that some University purchases like event services or catering require the Orgs' KFS number to be input into the form to make a reservation. But the quote provided for the room or food must first be voted on and then submitted through the PR process for review and approval prior to the confirmation of room or food (and certainly before you have the event or eat the food).

Purchasing WHAT?

- Durable Products
- Expendable Products
- Food and Refreshments
- Contractual Services
- Travel
- Tips or Gratuity



21



You may be wondering what are the types of things your organization may purchase. The following is an overview of what you may purchase. Please see the Tier III financial policies for more information.

Durable products are products with a life expectancy beyond one year and that will be added to your organization's inventory. Some examples include furniture, computers, or organization signs

Expendable products are products with a life expectancy less than one year or supplies. Supplies should only be purchased in quantities to be exhausted within the event or year.

If you are unsure if the product you are purchasing is considered durable or expendable, be sure to consult with the TSOS Financial team

Some other items you might purchase or spend money on are food, refreshments, contractual services, tickets for travel, and tips or gratuity

Again, each of these items have specific purchasing policies, so be sure to check out

those details in the Tier III financial policies document. They may also have specific procedures for HOW to purchase and that can be found on the TSOS website as well.

Purchasing WHAT NOT?



- Expenses for Personal Benefit
- Alcohol or other Drugs
- Sales Tax
- Donations to Charitable Organizations
- Fines and Penalties
- Payments benefitting State or UConn Employees
- Routine expenditures for State Use
- Repair or Maintenance of State Equipment
- Unrelated Professional Memberships, Items, or Experiences

22



While there are many things you can buy, due to law and policies, there are also items that your organization will not be able to purchase. More specific policies and source links are available in the Tier iii policy guide. This list includes:

- Expenses for Personal Benefit
- Alcohol or other Drugs
- Sales Tax
- Charitable Organizations
- Fines and Penalties
- Payments benefitting State or UConn Employees
- Routine expenditures for State Use
- Repair or Maintenance of State Equipment
- Unrelated Professional Memberships, Items, or Experiences (if related to your organization's goals and missions, some of these purchases may be

permissible)

Again, more specifics regarding this list, including definitions can be found in the Tier III policy guide

Purchasing CAUTIONS & CONSIDERATIONS?



- Gifts
- Promotional Items
- Organizational Meals/Refreshments
- Awards & Prizes
- Employee Wages

23



The following items are not prohibited for your organization to purchase, but due to their nature, there is increased scrutiny when trying to buy these items. We encourage groups to simply use caution and be particularly clear with your business purpose and justification for the amount.

- Gifts are things purchased for your members which should be nominal, and consideration should be given to gifts for organization volunteers versus employees who are already compensated.
- Promotional items are justified by raising awareness for your group and bringing students to your mission and purpose as an organization so that you can increase constituent benefit. An organization shouldn't have large dollars committed to promotional items without purpose.
- Meals/Food spent on internal meetings and events can also raise sensitivity. They must meet the University's business meal criteria which is clear about the circumstances that must exist to feed your own members a meal. A business meal form is required for this type of expense. This doesn't mean that you couldn't have coffee, fruit, cookies or candy as these are not considered a meal, but refreshments.
- Awards and prizes are again used to help bring constituents to your mission and

events, generate excitement and enthusiasm but should also be appropriately tied to your mission.

- Wages can be a significant line item in your budget and because this is also an internal expense, there is often interest to understand why organization must pay employees versus volunteers or whether the hourly wage and number of approved hours per pay period is appropriate.

Purchasing WHO?

- Vendor Considerations
 - Established
 - University Contract
 - University Vendor
 - Best Value
- Payment to Vendors
 - Pay Vendors Directly
 - Purchase Orders to secure products or services



24



The next thing you will need to consider is who will be involved in the purchase.

You'll need to consider the vendors that you may be working with. If the university has a contracted vendor, Organizations must use them for their purchase OR demonstrate they cannot meet your need or meet it as cost effectively as another vendor. Vendors must be established in the business or industry and they will need to become a University Vendor. Groups are expected to try to get the best bang for the student fee buck by shopping around and contacting at least 3 vendors. There may be additional policies and procedures should the vendor be a student or staff member so ensure you contact TSOS with the particular circumstances.

Payment to vendors must be paid directly and reimbursements should be minimized to circumstances where there was no other option for an individual. Consider that when you don't plan in time and force a member to 'front' money, that it may negatively financially impact that person (who may or may not even be able to afford it). TSOS prefers and wants your Organizations to pay directly. We see this as an equity issue.

Reimbursement is never permitted for departments or other student groups nor for the purchase of an inventory item or payment for services with the exception of SOME personal travel services. For example a common personal travel service that

is impossible for the organization to pay directly is an uber charge for a student to get from an airport to their hotel. Contact TSOS for guidance prior to spending money anticipating reimbursement. University resources (or Purchase Orders) are used to provide vendors a "promise to pay" in order to secure their product or service and pay upon satisfactory delivery.

Purchasing HOW?

- **Consult with TSOS!**



25



Finally, the question is how this will all get done. TSOS has many procedures in place that will help you actually execute your purchases. These will be covered in a future procedures training and through 1-1 consulting or small group workshops with TSOS. The website does have extensive manuals and guides so don't forget to check out the website for more information regarding process and procedures: trustee.org/support.com



THANK YOU!

There are many financial obligations of an organization. While all organizations have treasurers who may have specific tasks, appropriate financial management is the responsibility of the organization as a whole. As new student leaders, this may seem like a lot to absorb. Remember, TSOS is always here and there is a lot of information on the website as well. Thank you for participating in this module! The next module, Hiring and Time Approvers is required of all authorized signers, we also recommend anyone involved in hiring or supervising an employee take that training as well.