

Budgetary Policy
of the
Student Government Association
of the
University of Maryland,
Baltimore County

The SGA Budgetary Policy was initially ratified by the Student Government Association of the University of Maryland, Baltimore County, on 3 May 2007, effective Fiscal Year 2008, and last amended on December 13, 2011. The document below is current as of that date.

SCOPE AND PURPOSE

The Budgetary Policy of Student Government Association (SGA) of the University of Maryland, Baltimore County (UMBC) shall govern matters of the budgeting, allocation, and usage of SGA funds, superseded by the SGA Constitution and Bylaws. This policy shall be interpreted and used in concert with the principles of trusteeship and stewardship. All SGA funds shall be managed in a manner upholding good faith and trust with the UMBC community and undergraduates. All SGA officers assume this faith and trust in taking their oath of office.

1 Fiscal Year

The SGA fiscal year shall be from July 1 of a given year through June 30 of the following year (i.e., fiscal year 2008 is July 1, 2007 through June 30, 2008).

2. Student Activities Fees

The SGA shall be the body on campus with the authority to determine how their designated portion of student activity fees is allocated, subject to the approval of the Student Activities Fees Review Board (SAFRB) and/ or the President of UMBC when required. The amount to be charged to each student as student activity fees shall be determined by the SGA, by the end of each fiscal year, with the approval of the SAFRB, the President of UMBC, and the Board of Regents of the University System of Maryland. Unless action is taken to change the amount charged in a given year, the amount shall remain constant.

3. SGA-Managed Accounts

The Business Center, as established by the UMBC Division of Student Affairs (at the time of this document's creation: Student Affairs Business Services Center), and SGA Treasurer shall manage, oversee, and account for all funds held by the SGA and student organizations. These funds shall be contained in one of following sets of funds and shall adhere to the following guidelines:

- A. SGA Operations Account-** Account includes funds for SGA internal operating expenses.
- B. Senate and Student Organization Allocation Funds-** Accounts include funds available for the Legislative Branch to allocate throughout the fiscal year to programs and student organizations.
- C. Student Organization Funds-** Funds that SGA allocates to SGA-recognized organizations must be used within the fiscal year they have been allocated for and shall be accounted for separate of funds received from sources other than the SGA.

Any funds received from sources other than the SGA shall be called Carryover Funds. Carryover funds may be spent at the individual organization's discretion provided they are not used for purchasing alcoholic beverages, but must be expended according to the usual SGA procedures. Organizations must deposit revenue funds, including departmental contributions, into their carryover account according to the procedures established by the SGA Treasurer and the Business Center.

Each individual organization is responsible for ensuring that it does not overspend its accounts. No organization may spend more SGA-allocated funds than have been allocated in a given fiscal year. Any overspending of SGA-allocated funds found during the process of fiscal year-end reconciling shall be deducted from the organization's carryover account. Whenever an organization overspends its carryover account, the student organizations would have to fundraise to cover the deficit. Organizations that overspend can have their assets frozen or suspended at the discretion of the SGA Treasurer.

- D. Special Accounts-** The Senate and Finance Board may create other accounts through the passage of joint legislation, which shall specify the manner of using such funds.

E. General Ledger (GL) Account- The SGA shall have a General Ledger (GL) Account for funds not accounted for elsewhere. Any SGA funds remaining in the accounts above at the end of each fiscal year shall revert to the GL accounts unless otherwise specified in this document or legislation. GL Accounts funds may be used for any unexpected expenses occurring throughout the year. These funds shall be allocated through joint legislation approved by a two-thirds vote in each legislative body. The GL Account should always contain enough funds to cover at least 15% of the current fiscal year's SGA Overall Budget.

3.1 External Bank Accounts

No SGA-funded organization may have an external bank account (any account not under control of the University System of Maryland) unless required by the organization's national charter. The SGA and Business Center must be made aware of any such requirements. SGA funds may not be placed in external bank accounts.

3.2 Revenue Variances

If the SGA budget is not balanced at the end of a fiscal year due to receiving less student activity fees income than originally projected by Director of Student Life and Manager of the Business Center, the difference shall be automatically paid out from the GL Account. If the SGA receives more student activity fees income than projected, then the excess funds shall be placed into the GL Account as incurred.

4 SGA Budget Timeline and Procedures

The SGA President and Treasurer shall be responsible for constructing the timeline for the Annual Budget Review Cycle, provided the following:

- Budget Projections will be made by February 1st: The Director of Student Life, working with the Manager of the Business Center, shall submit to the SGA President and Treasurer detailed documentation stating:
 1. The projected Student Activity Fees revenue for the coming fiscal year
 2. The amount of money to be budgeted for the next fiscal, including but not limited to, previously approved SGA allocations, required institutional fees, and/or Student Life fees.

Before February 15th: The SGA President, working with the SGA Treasurer, shall inform all charter organizations of the timeline for the annual budgeting process and the projected SGA funding they should consider in their budget.

- Approval: The President, working with the SGA Treasurer, should propose the SGA budget to both legislative bodies no later than the 4th week of the spring semester, and the Senate should approve the budget within two weeks, whenever possible. The final budget shall then be forwarded to the Finance Board for consideration.

5 SGA Overall and Operating Budgets

The SGA Overall Budget shall include, but is not limited to, allocations for University-Required allocations (see below); Administrative Support; Charter Organizations (see below); Special SGA funds; General Ledger (GL) Account; SGA Operations Account; Senate Allocation Fund, which may not be increased from the President's proposed budget without a simple two-thirds concurrence of both legislative bodies; Student Organization Allocations; and other previously approved allocations for the budgeted fiscal year. The SGA Operating Budget shall include those funds, and only those funds, in the SGA Operations Account allocation.

Furthermore, the SGA Overall and Operating Budgets shall be accompanied with narrative explaining the budgets and their usage. The budget narrative shall be approved with said budgets and forwarded to the SAFRB.

5.1 University-Required Allocations

Each year, Business Center shall forward a listing of all university-required allocations (such as maintenance costs and administrative overhead) to the SGA President and Treasurer. The SGA should allocate the exact amount suggested, only amending the amount in extreme circumstances, because serious consequences can result from the SGA not funding certain required items.

5.2 Charter Organizations

Charter Organizations shall receive their budget in the SGA Overall Budget. They shall annually submit a budget to the SGA President and Treasurer during the SGA's Annual Budget Process. The Senate shall approve their budget by a majority vote provided their budget does not exceed the Charter Organization allocation approved in the SGA Overall budget. Additionally, each Charter Organization must have a budgetary policy, approved by the SGA Senate and Finance Board, on file in the SGA office and at the Office of Student Life.

5.3 Other Requirements

The approved SGA Overall budget may not allocate more funds than the Director of Student Life and Manager of the Business Center projected to receive from Student Activity Fees without the approval of SAFRB. All funds projected for by the Director of Student Life and Manager of the Business Center but not allocated in the budget shall also be placed in the GL Account allocation. Funds may not be removed from the GL Account and placed into the next fiscal year's SGA Overall Budget.

5.4 Approval

The SGA Overall and Operating Budgets shall be approved in the following manner:

1. The SGA President and Treasurer shall propose the SGA Overall and Operating budgets. The proposed budget shall then be forwarded to both the Senate and Finance Board.
2. Then the Senate shall review the proposed budget, may amend it, and shall then approve a final version of both budgets by a majority vote.
3. Once the Senate has approved the budgets, the Speaker of the Senate shall forward the budgets to the Finance Board Chair and President before the next Finance Board meeting.
4. The Finance Board shall then have one meeting after its Chair receives the Senate's version to consider it, and may accept or reject the Senate's version without right of amendment. Approval of the budget requires a majority vote.
5. If rejected by the Finance Board, the budget and a list of objections shall be submitted to the SGA President, Treasurer, and Speaker of the Senate to rectify all differences. The President and Treasurer should report back to the legislative bodies within two weeks (sooner if possible). The final version must pass a majority vote in both legislative bodies.
6. The final version approved in the Legislative Branch, as outlined above, shall be forwarded to the President for Executive Approval as outlined in the Bylaws. A presidential veto of the budget may be overturned by a two-thirds vote of the Senate and Finance Board.
7. The final SGA approved version of the budget shall be forwarded to SAFRB, for recommendation to the President of UMBC.

6. Fiscal Year Budget Process

6.1 Senate Allocations

The Senate may use its Senate Allocation monies to fund SGA Co-Sponsored Events, Charter Organization additional allocation requests, and unexpected SGA Operating expenditures, such as new SGA projects.

6.2 Finance Board Allocations

The Finance Board shall approve allocations to student organizations from the funds within its control throughout the fiscal year. Additionally, the Finance Board may use the funds within its control for programs beneficial to student organizations. The "Finance Board Budgetary Statutes" shall delineate the process for approving its Student Organization Allocations.

6.3 Student Organization Reallocations

Student organizations may reallocate funds within their SGA budgets throughout the fiscal year. Reallocations must be approved by the chief financial or executive officer of the requesting organization, and then forwarded to the SGA Treasurer, who shall grant or deny final approval. Reallocation requests should be more readily approved, provided that the budget after reallocation stays within the guidelines set by the Finance Board. The SGA Treasurer should coordinate with the Finance Board to ensure consistent standards in all organization allocation processes. Reallocations do not need to occur if the organization is retaining money for the same event, only appending it towards a different part of that event; the SGA Treasurer shall have discretion over execution of this clause. All reallocations must comply with the Finance Board Budgetary Statutes.

7. Financial Legislative Processes

All allocation of SGA funds must be accomplished by the Senate and/or Finance Board through passage of legislation. Any legislation allocating SGA funds shall be forwarded to the SGA Treasurer upon approval so that Business Center may update its records. Any allocations requiring SAFRB approval shall be forward to SAFRB by the President within one week of approval.

8. Expenditure Procedures

The SGA Treasurer and the Business Center shall establish acceptable procedures for the expenditure of funds from all SGA-managed accounts. These procedures shall apply to the SGA, charter organizations, and all SGA-recognized student organizations. All requests for expenditures of SGA funds must be approved before the actual purchase takes place.

8.1 SGA Operating Expenditures

Authorized expenditures shall be submitted to the SGA Treasurer as a RESGAF (“Request for Expenditure of SGA Funds” form). The SGA President or the SGA Treasurer may sign off and, if the expenditure exceeds \$150, the SGA President and SGA Treasurer must approve all SGA Operating Expenditures, unless otherwise provided for in the SGA operating budget narrative. Approved expenditures shall then be promptly forwarded to the Business Center for verification and execution.

8.2 Charter Organization Expenditures

All Charter Organizations shall have a designated chief executive officer and chief financial officer. These individuals shall be responsible for approving expenditures of their Charter Organization in accordance with their organization’s budgetary policy and the SGA Treasurer / Business Center procedures.

8.3 SGA-Recognized Organization Expenditures

All other SGA-recognized student organizations shall have a designated chief executive officer and chief financial officer. They shall approve expenditures made by their organization in accordance with the SGA Treasurer / Business Center procedures. All expenditures they authorize shall then be forwarded to the Business Center, which shall verify that the organization has funds for the expenditure, includes signatures consistent with SGA records of organization officers, and (if an expenditure of SGA-allocated funds) has been approved by the SGA. Any expenditure requests disputed by the Business Center should be directed to the SGA Treasurer for review.

8.4 Sales Tax

Because UMBC is a state agency, the SGA and SGA-funded organizations do not pay sales taxes, but may have to pay other states taxes. Organizations may borrow a copy of the tax-exempt certificate from the Business Center before purchasing items.

8.5 Additional Regulations

The SGA Treasurer, Finance Board, and Business Center shall make additional expenditure regulations regarding expenditure procedures/timelines, reimbursements, University Contracts, the UMBC Bookstore, postage, petty cash vouchers, and travel requests. Such regulations must be made publicly available to all student organizations. Additionally, no expenditure may be approved which violates a contract, exclusive or otherwise, made by the University of Maryland, Baltimore County.

9. Reclamation and Freezing of Funds

9.1 Reclamation of Funds

The SGA shall have the power to reclaim funds in any student organization's account before they have been spent through proper legislation and/or Supreme Court action. Funds reclaimed shall be placed into the Student Organization Allocation Fund. This power shall only be applied to transferring carryover funds as directed by the Abandoned Funds section. Reasons for reclaiming funds may include, but are not limited to:

- Deliberate Falsification of any information provided affecting SGA budgetary decision-making
- Failure to maintain contract or co-sponsorship agreement obligations
- Failure to hold the event for which funds were allocated
- Failure to comply with any other orders mandated in passed House of Organizations legislation

9.2 Freezing of Funds

The SGA Treasurer shall have the power to freeze funds of SGA-funded organizations for any of the following reasons:

- Any of the reasons listed above as reason for reclaiming funds
- Violations of this *SGA Budgetary Policy*
- Failure to attend any budgetary training declared mandatory by the SGA Treasurer
- The organization being placed on probation, as outlined in the *Student Organization Recognition Policy*, with loss of funding privileges
- Irresponsible and inappropriate use of organization funds

9.2.1 Notification

The SGA Treasurer will keep a record of all contact made with an organization to try and rectify any suspensions of funds. Within two university days of the suspension, the SGA Treasurer shall email a formal memorandum to the organization's president and treasurer with a copy to the offending organization's advisor; Manager of Business Center; Director of Student Life and designees thereof; University Contract designee; SGA President, Vice President, Supreme Court Justices, Speakers of the legislative bodies, and Vice-President of Student Organizations. All memorandums will have a detailed listing of said violations, list of contacts made to the organization, and a detailed explanation of what sanctions are or will be made. The SGA can use the accumulation of violations as a reason for sanctioning an organization even if violations are separate.

9.2.2 Resolution

For all violations of the *SGA Budgetary Policy*, a contract, a co-sponsorship agreement, and/or SGA legislation, the Treasurer shall immediately initiate SGA Supreme Court action. Any other time funds are frozen, the Finance Board shall be informed to address the issue. In either case, the body may lift the suspension or reclaim funds. The SGA Treasurer may lift the suspension provided before any the Supreme Court and/or Finance Board act. Organizations are ineligible for Student Organization Allocations or reallocations, and may not access their account while their funds are frozen.

9.3 Failure to Attend Training

The SGA Treasurer shall be responsible for holding mandatory budgetary training for student organizations before each fiscal year. No organization may access funds until their chief financial officer has attended this mandatory training or an appropriate substitute, as deemed by the SGA Treasurer and SGA Advisor.

9.4 Abandoned Carryover Funds

Carryover funds of organizations that lose SGA recognition for any reason shall be maintained for a period of two years. If the organization receives recognition again within that time period, these carry-over funds may be available to the newly recognized organization with the approval of the Finance Board. If the organization is not restarted, the carry-over funds shall be transferred to the GL account. The Business Center shall be responsible for maintaining a listing of any accounts in an abandoned state and shall furnish a listing of all accounts and affected amounts with any financial statements filed in accordance with this policy.

10. Contracts

Only the Vice President of Student Affairs of UMBC or a designee thereof, shall have the authority to enter into a contract between the SGA, any charter organization(s), and/or any SGA-recognized organization(s) and any off-campus entity. If any contracts or legal agreements are negotiated and entered into by any unauthorized person, the SGA will not accept legal responsibility for these contracts or agreements. In these cases, student organizations and/or individuals may incur personal liability. Student organizations would have to either fundraise or use carryover funds. Organizations need to submit a contract worksheet form and all other necessary information to a Student Life Advisor with their RESGAF or Event Request Form in accordance with procedures determined by the SGA Treasurer and Office of Student Life.

11. Co-sponsorship

11.1 SGA Co-sponsorship

The SGA may establish co-sponsorships with charter organizations, UMBC departments, or off-campus entities. Also, SGA may enter into co-sponsorships with SGA-recognized organizations with approval of a two-thirds vote of both legislative bodies.

11.2 Charter Organizations

Charter Organizations shall establish their own procedures for forming co-sponsorships in their SGA-approved budgetary policy.

11.3 SGA-Recognized Organizations

Co-sponsorship and Co-sponsored events shall be actively encouraged and shall be given funding priority within the SGA Finance Board. A completed Student Organization Co-sponsored Event Agreement, which must stipulate the date of the event, must be filled out by each of the Student Organizations involved and forwarded to the SGA Treasurer before an event shall be an official co-sponsored event. Funds allocated to a co-sponsorship may only be reallocated to an event co-sponsored by all the same organizations. Whenever an organization withdraws from or violates the terms of a Co-Sponsored Event Agreement, the SGA Treasurer may freeze a portion of the funds allocated for the event and shall notify the Finance Board. If a co-sponsored event does not occur, the SGA Treasurer will freeze all funds allocated for the event on the day after the stipulated date of the event. The SGA Treasurer holds discretion over these cases.

12 Stipends

Stipends for the SGA positions will be determined in the SGA Operating Budget. For Cabinet / Executive positions, the budget shall stipulate an aggregate amount for Cabinet positions and the maximum stipend per position. The final stipend for each Cabinet / Executive position must be approved by the SGA Senate (typically at the time of confirmation). All appointed SGA officers must receive confirmation from the Senate in order to receive a stipend. No (student) SGA officer shall receive additional monies for services rendered. All programs, lectures, or activities done for or on behalf of the SGA shall be done as a part of the SGA officer's role.

The President, subject to override by a majority vote of the Senate, may reduce the stipends for Cabinet officers with due cause. In all other cases, stipends may not change within a fiscal year once they are set; any changes will be reflected in the next fiscal year.

13 SGA Treasurer

In cases where the office of SGA Treasurer becomes vacant, the Finance Board Chair shall temporarily assume the responsibility of approving student organization reallocations and the SGA Vice President shall temporarily assume the Treasurer's share of the responsibility to authorize SGA expenditures. These responsibilities shall revert back to the SGA Treasurer once a new Treasurer takes office.

14 Finance Board Budgetary Statutes

The Finance Board shall establish statutes regarding the Student Organization Allocation process, funding guidelines for student organizations, and all other statutes deemed necessary and proper by the Finance Board. These statutes, which shall be considered an SGA Guiding Document, must receive approval from two-thirds of entire membership in the Finance Board and are not subject to

presidential veto. These statutes and any changes thereto must be made publicly available to all student organizations. A current copy of the statutes shall be maintained with the current copy of the SGA Budgetary Policy.

15 Ratification and Amendments

Ratification of and amendments to this document shall be approved by a two-thirds vote of entire membership in both legislative bodies (not subject to presidential veto). All amendments must outline the manner in which they take effect. A current version of this policy should be available to all SGA officers, the Office of Student Life, the Business Center, SAFRB, all SGA-recognized student organizations, and the general public at all times.

Budgetary Statutes

1 Purpose and Scope

The SGA funds student organizations for the purpose of promoting of students' interests and enhancing student involvement to ensure an engaged and active student life. SGA shall only fund student organizations granted funding privileges through SGA recognition. These statutes shall govern the funding of student organizations and all other Finance Board allocations. These statutes are superseded by the SGA Constitution, Bylaws, and Budgetary Policy.

2 Organization Funding Guidelines

The following budgeting guidelines apply to the SGA-allocated funds of all SGA-funded organizations. The SGA and all charter organizations shall be exempt from these guidelines.

2.1 Non-Funded Items

The SGA shall not fund any of the following for student organizations:

- Alcoholic beverages
- Sales tax – UMBC is a tax-exempt organization (see section 12.3.5, Sales Tax)
- Salaries or stipends
- Personal expenses, to include, but not limited to phone calls, room services, porter fees
- Loans- SGA shall not approve or grant loans of any kind to any organization or individual(s)
- Airfare for trips to destinations whose distance from UMBC is less than 300 miles
- Train-fare for trips to destinations whose distance from UMBC is less than 100 miles (excluding public transportation)
- Any on-campus event that is not expressly open to all undergraduate students of UMBC on the basis of race, sex, religion, ethnic background, physical or mental disability, age, veteran status or sexual orientation. Organizations should not discriminate based on economic stresses; however, they are allowed to charge admission to events.
- Expenditures deemed illegal by city, county, state, and/or national authorities.
- Hotels for destinations within 50 miles of campus.
- Athletic equipment and other competition-related costs for club sports.

2.2 Limited-Funded Items

The SGA shall not fund in excess of the following limits:

- University facilities costs – the actual cost of the facilities as established by the University
- University equipment costs – the actual cost of the use of the equipment as established by the University
- Rental Vehicles – no smaller than 8 person van, unless there exist extenuating circumstances.
- Privately owned automobile travel expenses – either the itemized cost of gas plus tolls, or the current State of Maryland travel reimbursement amount, figured per mile round-trip, with UMBC as the origin and return destination, which ever is less
- Guest (any individual or group who is not a student, faculty, or staff member at UMBC or its sub-contracted agencies, who a student organization asks to attend an event on campus for the purpose of providing entertainment, speech, or presentation) costs in excess of the following:
 - Transportation – primary mode of transportation and any costs of on-ground transportation travel in Baltimore
 - Food – as required by University rate for meals and reimbursements served during the Guest's stay in Baltimore while attending an SGA-funded event
 - Lodging – as required per University rate during the Guest's stay in Baltimore while attending an SGA-funded event
- Limitations set by the SGA Finance Board, as noted and presented before the Finance Board, and forwarded to Business Center. These should include, but are not limited to:
 - Funds for transportation (bus and airfare), lodging, and dues.
 - Standards for prizes giveaways and individual property requests
- Any limits set by the University, but the SGA has the ability to set stricter standards

2.3 Positive Efforts

While considering allocations, the Finance Board shall consider the following items favorable for student organizations, giving them priority in funding decisions:

- Co-sponsorships
- Fundraising efforts and proceeds
- Donations, endowments, and funding receive from other campus sources
- Community outreach
- Organization membership and growth
- Past successful performance of the organization and the proposed event
- Positive representation of UMBC outside of the campus community.

2.4 Funding Criteria and Evaluation

The Finance Board shall consider the following when evaluating organization's requests for funding:

- The quality and quantity of student participation in the event
- The extent to which the funding of certain items is necessary for the event/program's success
- The extent to which the organization has made effective use of previously allocated funds
- The amount of funds the organization is contributing to the event from other sources
- Past performance of the organization and the proposed event
- Positive Efforts conducted by the organization over the course of the fiscal year
- Timeliness and presentation of the request
- Other criteria deemed appropriate by the Finance Board

3 Student Organization Allocations

The Student Organization Allocation Fund shall be used for funding organization events and programs, budgets of newly-recognized organizations, and programs held for the benefit of student organizations. The process for Student Organization Allocations shall be as follows:

1. Student organizations should submit all Student Organization Allocation Request forms to the SGA Treasurer. If the total request for an event or purchase is for less than \$1,000, the form must be submitted at least 15 days in advance. If the total request is for \$1,000 to \$3,000, it must be submitted at least 30 days in advance. If the total request is for more than \$3,000, it must be submitted 60 days in advance.

However, in the event that an unforeseeable cost increase would imperil the success of an event for which the Finance Board already has allocated funds, the Finance Board may approve an additional allocation of funds to the event without regard to the 30- or 60-day deadlines by unanimous consent. Under no circumstances will the Finance Board grant Student Organization Allocation funds to an event in response to any request submitted fewer than 15 days in advance.

2. The SGA Treasurer shall then forward the requests to the Finance Board Chair.
3. The Finance Board shall then review the requests and approve proper legislation.
4. Once the legislation has received final approval (by the President or a veto override), the SGA Treasurer shall be notified by the SGA President. The Treasurer will inform the student organization and the SABSC so that the organization's records may be updated.

3.1 Budget Planning

The Finance Board should work to insure that they do not over/under-spend its Student Organization Allocation Fund. The Finance Board should create budget focus dates and targets, which shall serve only as guidelines for management of the Student Organization Allocation Fund. These dates and targets should be established at the beginning of the fall semester and should be consistently reevaluated throughout the fiscal year.

4 **Ratifications and Amendments**

This document shall be ratified and amended by a two-thirds vote of the entire membership of the Finance Board, not subject to presidential veto.