How Does the Funding Board Work?

Great question! The Funding Board is the key element of SGA's new funding process. It is composed of SGA representatives from all three Branches and exists to ensure budgeting fairness and transparency. Below, we (the Treasury team) answer general questions about the Funding Board and answer some more specific Frequently Asked Questions. If you have questions remaining after reading this document, please contact us at <u>SGATreasury@liberty.edu</u>. Thanks for reading; we hope this document is useful as your club journeys through the Funding process.

Funding Board Operations

Who is on the Funding Board?

The Funding Board is composed of the Treasurer, the Vice Treasurer, a Senate representative, and a House representative.

In general, the Treasury team is the most equipped to deal with finance/budgeting matters, because those matters are what we specialize in. However, when it comes to making somewhat subjective decisions about nearly a hundred Club budgets, we're aware that our bias may impede sound decision-making. Biases can come from many factors, among them bad experiences with Club leadership, disagreement with a Club's mission, or simply having a bad day. No matter the source, bias is bad, and it's hard to recognize when it exists.

That's why SGA's Constitution specifically requires that the Funding Board be made up of members from the Executive Branch, the House of Delegates, and the Senate. Each of the Funding Board's members keeps the others in check. Most Funding Board decisions require a 3/4 majority vote, which makes it impossible for one Branch's representatives to make decisions without the support of at least one other. In practice, the Funding Board's decisions are often agreed on unanimously.

When does the Funding Board meet?

The Funding Board meets near the end of each semester. In the middle of each semester, the Treasury team will email your Club with a list of deadlines and dates for the Funding process. The list of deadlines might include things like budget submission date, notification of Club leadership change deadline, All Clubs Meeting date, etc. If you pay attention to your email inbox and meet all the deadlines, you'll have nothing to worry about. We do our best to give plenty of notice to all Clubs.

Note: We can only give you plenty of notice if we have your current Club President's email address, so don't forget to submit the "Change of Club President" form if your Club's leadership changed.

When will I know my Club's budget?

The Funding Board is tasked with reviewing nearly 100 Club budgets. That's a lot of spreadsheets to look through! However, if you meet all budget deadlines, you should receive your final budget number before the end of the semester.

How does the Board review budgets?

First, the Board reviews each Club budget separately and holistically. In this step, the Board turns the *requested* budget into a *reasonable* budget, often cutting budget amounts it views as "unreasonable." In determining reasonableness, the Board considers the following factors:

- *Alignment with mission*. Does the expenditure align with SGA's mission of connecting students with unique, welcoming, professionally developmental communities? Does the expenditure align with the Club's specific mission?
- *Financial responsibility.* Is the expenditure meaningfully beneficial to all Club members, or is it a vanity purchase? For example, if the Club X were to request funding for an expensive photo shoot of Club leadership, the Board would consider that a frivolous request.
- *Efficiency*. Does the request efficiently meet Club goals, or does it add on unnecessary premium features? For example, if Club's stated goal of having food at an event is to "feed Club members," but the food is from a high-end, expensive restaurant, the Board will take issue with the efficiency of the request.
- *Justification*. Clubs can write extensive notes for all budget line items. Does the justification make sense? For example, if a Club requests an espresso machine and justifies the line item with, "We don't want to walk to the Rot and get coffee there," the Board would consider this an inadequate justification.

As a Club budget maker, you should always align your budget with your Club's mission. The Funding Board wants to see in your budget line items that you have a clear idea of your Club's goals, that you know how to accomplish those goals in the most efficient manner possible, and that you aren't spending money on vanity items. If the Funding Board can see those things, it is likely that your *reasonable* amount will equal or come very close to your *requested* amount.

Second, the Funding Board turns the *reasonable* amount computed in Step 1 into the *final* amount. Unfortunately, total Club budget requests often greatly exceed the money available to SGA.

When this is the case, Club *reasonable* budgets are all reduced by a certain percentage rate calculated by the Funding Board. Because the Funding Board is aware that percentage reductions disproportionately impact smaller, less-funded Clubs, the percentage rate has some variation by Club and budget size.

Frequently Asked Questions

Why did my Club receive less money than last semester?

Each semester's budget is evaluated on its own merits. The Funding Board does not hold over previous semesters' budgets as examples of what a Club *should* receive. In prior semesters, we have found that promoting the new funding system has caused many Clubs to request funding who previously did not. When many more Clubs request funding, the pieces of the total funding "pie" decrease for each Club, unless the pie grows. Additionally, the continuing impacts of COVID-19 may affect SGA's total budget for semesters to come.

SGA is doing its best to grow the funding pie by constantly meeting with the Administration's Finance and Accounting departments to show off your Clubs' accomplishments and benefit to our University. If your Club has a significant achievement that was helped out by SGA funding, please let us know so we can use your experience to advocate for more funding.

Why did the Funding Board reduce my budget by so much?

If the Funding Board reduced your *requested* budget by quite a bit to arrive at the *reasonable* budget, it is likely that the Board saw your budget line items as unaligned with SGA's or your Club's mission, inefficient, financially irresponsible, or inadequately justified. If you want help making your budget, check out our "How to Budget for Your Club" guide on the SGA website.

If the Funding Board reduced your *reasonable* budget by quite a bit to arrive at your *final* budget, it wasn't because your budget line items were unreasonable. The Funding Board simply has a limited amount of funds to apportion among between all Clubs, and total Club requests far outstrip the available funds, often by 200%.

Do Clubs get special favors if they have friends who work in SGA? No.

Per the Constitution, the Treasurer, Vice-Treasurer, and two members of the House and Senate are the only SGA officials who operate the Funding Board. The Student Body President, Vice President, Chief of Staff, Cabinet Directors, and Branch leaders have no involvement. The Funding Board's bylaws and operations are structured such that all Club budgets are evaluated on their merits. If you have concerns of bias, please file a complaint with the Student Court by contacting <u>SGAChiefJustice@liberty.edu</u>.

What if I disagree with my Club's final budget?

Decisions of the Funding Board are final. Keep in mind that all Funding Board decisions are made with approval from members of at least two departments of Student Government, and most Funding Board decisions are made with unanimous approval from the Senate, House, and Executive Branch.

Can I explain my budget to the Funding Board in person?

The Funding Board welcomes in-person interviews while they determine Club budgets! Please reach out to the Treasury team at <u>SGATreasury@liberty.edu</u> to request an interview. In some cases, if the Funding Board has outstanding questions about your budget, the Board may reach out on its own to schedule an interview.

My Club isn't funding eligible...how can we participate in the funding process?

If a Club officially passes the Club Approval process (see above) between May 1st and December 31st, it will first be eligible to receive funding in the following fall semester. If a Club officially passes the Club Approval process between January 1st and April 30th, it will first be eligible to receive funding in the following spring semester.

If you have a firm, well-reasoned belief that your Club deserves funding status prior to your eligibility date, please file a complaint with the Treasury team at <u>SGATreasury@liberty.edu</u>. Keep in mind that most complaints will be denied – we like to see that a Club has a measure of longevity before offering funding – but we will always take the opportunity to hear your Club's case.