



Finance Guidelines for LU Student Clubs/Organizations

In accordance with tax law, the following guidelines have been established by the Liberty University Accounting Department in order to define a student club/organization (“club”) and classify the nature and purpose of its activities.

1. Club Categorization

All clubs fall into one of the following categories. If you are unsure what category your club is, email SGATreasury@liberty.edu.

a. Category 1

An approved and official Liberty University club who possesses its own tax ID, or who is a local chapter and has the use of a parent organization’s tax ID. This club has multiple funding sources for operations, including but not limited to, a governing body, such as the Student Government Association (SGA) or the Student Bar Association (SBA), dues, fund raisers, outside or parent organization donations, etc. This club is a non-related entity of Liberty University and is responsible for its own tax reporting.

b. Category 2

An approved and official Liberty University club whose only funding source is its governing body (SGA). This club operates as a sponsored activity of its governing body only and does not have a separate account.

c. Category 3

An approved and official Liberty University club who has multiple funding sources for operations, including, but not limited to, governing body sponsorship, member dues, fund raisers, outside or parent organization donations, etc. This club is responsible for managing its own account according to University Policy, but tax reporting is handled by the University.

d. Category 4

An approved and official Liberty University club that is not eligible to receive university funding due to its partisan nature. This club can have multiple funding sources for operations, including but not limited to, a governing body, dues, fund raisers, outside or parent organization donations, etc. This club is a non-related entity of Liberty University and is responsible for its own tax reporting as needed.

2. Budgeting and the Funding Board

- a. About halfway through each semester, the Treasury team will ask each club to submit a budget for the following semester.
- b. The Funding Board, which is made up of six members from the Executive and Legislative Branches, will review these budgets and come to a consensus on final budget amounts for each club based on total available SGA funding.
- c. For more information, review the “How Does the Funding Board Work?” and “How to Budget for Your Club” documents on the [Club Forms and Resources page](#).

3. After Budget Approval

a. Category 1

A completed W-9 tax form must be submitted to the Liberty Accounting Department every fall semester, and whenever personal information changes. Any current balances, as well as future Liberty donations, will be issued to the club by check, via Banner requisition, for off-campus banking.

- i. At the start of each semester, Category 1 clubs must submit a Check Request Form to SGATreasury@liberty.edu for their approved semester amount.
- ii. Once this form is received and processed, a donation check will be issued to your club.
- iii. Category 1 clubs are responsible for adhering to their parent organization’s financial guidelines.

b. Category 2

No further steps required; the club balance will be administered by SGA.

- i. Cash Disbursements
 - If your event is 10 or more days away, complete the Funding Request Form
 - Once this request has been processed, you will receive email confirmation with instructions for picking up your funds. If all procedures are followed, cash will be available one to

three days before the date of your purchase.

- Once the purchase has taken place, submit receipts and any remaining cash to the SGA office within two business days. Failure to do so may result in a 15% reduction of your club's funding amount for the following semester.
- Unused funds are added back to your club's remaining amount for the semester.
- Cash disbursements over \$300 will be accepted on a case-by-case basis. In some circumstances, other arrangements may be necessary to fulfill the request.
- Purchasing gift-cards, gasoline, sit-down meals, and personal-use goods or services is **strictly prohibited**.

ii. Reimbursement checks

- If you would like to get reimbursed for your purchase, it is required to get prior approval before purchasing. To get prior approval, please email SGATreasury@liberty.edu to set up an appointment using the Microsoft Bookings link found on the Canvas page.
- Please note: If you do not get prior approval to purchasing, the purchase may not be processed for reimbursement.

iii. P-Card Purchases

- If your club would like to make an online purchase, set up an appointment via the Microsoft Bookings link found on the Canvas page.
- Once the purchase has been made, email the corresponding receipt to SGATreasury@liberty.edu as soon as it is received. Failure to do so may result in a 15% reduction of your club's funding amount for the following semester.

c. **Category 3**

An LU FOAPAL account will be established for the club, which will use the University's finance tools to maintain their account balances, complete financial transactions (payment requests, deposits, etc.). The Club's Faculty Advisor can request a P-card by contacting Procurement@liberty.edu, and is responsible for adhering to all SGA policies in this document, as well as University policies and procedures.

- i. At the beginning of each semester, the Treasurer will complete a budget transfer form to allocate approved funding amounts from the SGA account to each Category 3 club account.
- ii. Club purchases are generally made via the Faculty Advisor's p-card. The Advisor is responsible for reconciling these purchases

in the appropriate manner according to [LU P-card Policy](#).

- iii. For a better understanding of the FOAPAL account system, please review [this guide](#).

d. Category 4

No further steps required.

4. Budget Amendments

a. Budget Re-allocation

- i. Budget re-allocation will take place at the beginning of each spring semester.
- ii. Clubs who have very little to no account activity will be contacted and be given 10 business days to explain their lack of usage.
- iii. If no response is received or the explanation is judged to be lacking, the Treasury will reclaim the prior semester's allocation.
- iv. All reclaimed money will be re-allocated to clubs who apply for budget amendments.

b. Budget Amendment Process

- i. A short period of time will be provided for clubs to apply for a budget amendment through an assignment on Canvas.
- ii. Budget amendments will be granted on a discretionary basis. However, the following points will be considered:
 - The track record of activity of the applicant
 - New opportunities that have recently arisen
 - Potential impact on the student body
 - The amount of money requested
- iii. Ineligibility
 - Active clubs within their first two semesters are ineligible for budget amendments.
 - Clubs who had their previous semester's funding re-allocated will be ineligible to budget amendments.

5. General Treasury Policies

a. Funding Rollover

- i. For Category 1 and 3 clubs, unused funding rolls over and is available to be used in future semesters.
- ii. For Category 2 clubs, unused funding rolls over from Fall to Spring, but expires at the end of the Spring semester.

b. If a club fails to meet given deadlines or other requirements, their funding amount will be adversely affected at the discretion of the Funding Board.

c. No Category 3 club will be able to conduct fundraisers for an external non-

- profit without prior approval from the President of the University.
- d. Any funding spent above the amount approved by the Funding Board will not be reimbursed.
 - e. Clubs may be requested to complete a new Club Categorization Form if it appears that the club is no longer operating within the definition of their current club category.
 - f. A club can be considered inactive when the following statements are true:
 - i. The club has no sitting undergraduate president
 - ii. The club has no established faculty advisor
 - iii. The club neglects to utilize or request SGA allocated funding
 - iv. The club does not send any officers to attend the All-Clubs meeting and does not attempt to reconcile with the SGA Director of Clubs
 - v. The club fails to keep in contact with the SGA
 - vi. The club is involved in repeated disciplinary incidents and is deemed to be problematic by the joint discretion of both the SGA Treasury and SGA Clubs Departments
 - g. Once a club has been categorized as inactive:
 - i. The faculty advisor, club president, and/or most recent club contact will be notified via email by SGA.
 - ii. All unused funds remaining in Category 2 and 3 club balances will be returned to the general SGA fund.
 - h. Liberty University has granted the Student Government Association the role of acting as a liaison between clubs and administration. Therefore, in accordance with University policy there should be no contact between clubs and any University office, including but not limited to the Budget or Accounting offices. If a club attempts to bypass SGA and contact a University office, the club's funding may be suspended for the remainder of the semester in which the infraction occurred, and pending approval of Administration, might also be suspended the following semester.