



# **FISCAL SERVICES GUIDELINES FOR STUDENT CLUB ACCOUNTS**

**Prepared by: Fiscal Services**

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### TABLE OF CONTENTS

Fiscal Services Staff	Page 1
Fiscal Services Location and Hours of Operation	Page 1
New Accounts	Page 2
Authorized Signers	Page 2
Board Approval	Page 2
Independent Contractors	Page 3
Payment Reimbursement Requests	Page 3
Student and Employee Travel	Page 3-4
Scholarships	Page 4
Request for Cash Advance	Page 4
Deposits of Cash	Page 4-5
Sales Tax	Page 5
Membership Dues	Page 5
Fundraising	Page 5-6
Donations to the Club	Page 6
Raffles	Page 6
Examples of Prohibited Purchases/Expenses	Page 7
Year-End	Page 7
Carryover Balances	Page 7
Inactive Clubs	Page 7
Independent Auditors	Page 7
Cash Handling Procedures	Page 8-9
Change Funds/Cash Box	Page 9

*Student Club forms can be found at [www.mtsac.edu/clubs](http://www.mtsac.edu/clubs) (For your convenience most frequently used forms are included at the end of this packet)*

## **FISCAL SERVICES STAFF**

- Management:
  - Doug Jenson, Associate VP Administrative Services – Ext. 5515
  - Jackson Kuo, Director, Accounting – Ext. 5372
  
- Staff:
  - Emma Valenzuela – Ext 5343
  - Travel and Conference: Evelyn Hermosillo – Ext 5527
  - Accounts Payable:
    - Elizabeth Jauregui – Ext. 5342
    - Jenny Tjandra – Ext. 5074
    - Lia Mason – Ext. 5554
    - Evelyn Hermosillo (Conference and Travel) – Ext. 5527

## **FISCAL SERVICES WINDOW**

- Location: Building 4, Room 1375
  
- Hours: Monday to Friday from 09:00 am to 03:00 pm

## **NEW ACCOUNTS**

In order to set up an account with Fiscal Services, complete the “Request to Establish Student Club Account” Form and include the following:

- Club Advisor
- Purpose of Club Account, indicate the mission/purpose of the Club

New accounts require the approval of the Director of Student Life and Associate Vice President, Administrative Services. It is the Clubs’ responsibility to obtain approvals and return form to Fiscal Services.

Fiscal Services will assign a Banner account number and will communicate the account to the Advisor. Club Advisors who have completed the “Online Purchase Requisition” training may request access to enter account inquiries. Club Advisors are responsible for reviewing account balances and should notify Fiscal Services of any discrepancies.

## **AUTHORIZED SIGNERS**

New club advisors must be added as an authorized signer by completing a “Request to Establish Student Club Account” form.

Club Advisors must approve all expenditures/reimbursements for student club members.

Club Advisor reimbursements need approval from a student club officer and a second club advisor, direct manager or the Director of Student Life. The Director of Student Life and Associate Vice President, Administrative Services must authorize all changes.

Contracts can only be signed by the Vice President of Student Services and must be Board approved.

## **BOARD APPROVAL**

Board approval is required for all contracts, independent contractors, and fundraisers held for the sole purpose of raising funds for scholarships.

Once Board approval has been obtained, a contract must be signed by the Vice President of Student Services.

For Board approval, submit the board item to the Vice President of Student Services. Please note Board meetings are only held once a month and the District cannot process or pay until Board approval has been received.

## INDEPENDENT CONTRACTORS

To enter into an agreement with an independent contractor, the following must have been completed prior to obtaining any services:

- Human Resources will review independent contractor eligibility. Complete checklist with signature approval to requesting manager.
- Board Approval
- W-9 (Request for Taxpayer Identification and Certification)
- Independent Contractor Agreement (signed by Vice President of Student Services)
- Payment/Reimbursement Request signed by Independent Contractor and Advisor

## PAYMENT/REIMBURSEMENT REQUEST

To obtain a reimbursement for goods and/or services for a student club, complete a "Payment/Reimbursement Request" form. Ensure the following is included:

- Itemized original invoices or receipts
  - Handwritten receipts will only be accepted if the Vendor Name/Logo is pre-printed on the receipt.
  - Include a document that verifies that the goods were received. (i.e. proof of delivery)
    - For items not delivered directly to Mt. SAC, the Advisor must acknowledge receipt of goods.
  - Note: Some vendors (i.e. Little Caesars) will only provide an itemized receipt upon request.
- Claimant Signature
- Student Club Officer Signature
- Advisor Signature

Expense reimbursements to students under \$200 will be in the form of cash. For expense reimbursements exceeding \$200, Fiscal Services will issue and mail a check to the student's current address on file. Advisor reimbursements will be processed as a direct deposit.

Prior to purchasing goods and/or services, obtain approval from the Club Advisor. All expenses should be approved in advance.

## STUDENT AND EMPLOYEE TRAVEL

Travel and conference charges are allowed and must abide by District rules. For student travel, refer to AP 4350 as it may need Board or VP approval.

For travel, complete the Conference and Travel Request/Expense Claim form. All travel must be approved by the Advisor (signature is required in the Manager's Approval section). Travel requests must be approved prior to booking.

Mileage will only be reimbursed to staff (club advisors) upon receipt of a completed the Mileage Record/Claim Form.

Completed travel requests should be sent to Evelyn Hermosillo, Fiscal Services, Bldg. 4, Room 1375.

## SCHOLARSHIPS

Scholarships paid from student club fundraisers, rather than from outside donations, are **not allowable** because they do not benefit a group of students. A student club may hold a fundraiser **specifically to raise scholarship funds**, which can be used to fund scholarships. Please note, fundraisers held for the purpose of raising scholarship funds require Board approval.

Scholarship expenditures should be approved by the student representative, advisor and noted in the meeting minutes.

All scholarship requests must be coordinated with the Foundation Office to:

- Ensure compliance
- Coordinate the disbursement of the scholarship with the Financial Aid Office

In order to have the funds transferred from Fiscal Services to the Foundation, submit a Payment/Reimbursement Request form to Fiscal Services.

## REQUEST FOR CASH ADVANCE

Cash advances may be requested to **purchase supplies or food only**, not for services. To request cash advance complete Section I of the "Request for Cash Advance" form and submit to Fiscal Services. After purchase, please complete Section II of the form and submit the completed form to Fiscal Services. You must include:

- Itemized receipts
- Remaining cash on hand
- Advisor approval for expenses

Please note, only Club Advisors can request and pick up cash. Fiscal Services can advance up to a maximum of \$200.

## DEPOSITS OF CASH

To deposit cash/checks into a student account, complete the Fiscal Services Deposit Slip and bring the completed form, including all applicable attachments, to the Fiscal Services window. Fiscal Services will deposit funds into your student account and will provide you with a receipt. The deposit slip must include:

- The preparer's name and signature as well as verifying signature
- Copies of receipts/tickets used during the event (see cash handling)

Please note all checks should be made payable to Mt San Antonio College and not to an individual's name or club's name.

If funds were received as a **donation**, you must also include a copy of the Donation Information form (please refer to the Donations to the Club section).

If funds are from a **fundraising event**, you must also include a copy of the approved Fundraiser Proposal Request form. Please note any transactions involving resale will be subject to sales tax, which will result in a deduction from your deposit of gross sales (please refer to the Sales Tax section).

If taxes were paid when goods were purchased, Fiscal Services will need a copy of the original purchase invoice attached to your deposit. Sales tax is due on the difference between purchase price and the price at resale.

For sales tax collected, describe products sold and include copy of the purchase of these products.

## **SALES TAX**

Mt SAC must pay Sales and Use Tax to the California Board of Equalization for all items purchased and consumed by the organization.

Sales tax is normally paid when goods are purchased at retail; therefore when goods are resold, sales tax is due on the difference between the purchase price and the price of goods at resale.

If purchasing items for resale, Mt. SAC has a resale number that can be used when purchasing items that will be resold. When submitted to the vendor, the vendor will not charge sales tax.

## **MEMBERSHIP DUES**

Membership dues must be paid by the club members. Club advisors or club officers should not collect dues.

Clubs are set up to pay membership dues through the Mt SAC Box Office and can pay online or at the Box Office. [Link:https://tickets.mtsac.edu/clubfees](https://tickets.mtsac.edu/clubfees)

Paying membership dues online is more convenient and a preferable internal control of cash.

## **FUNDRAISING (Authorized by Ed Code 76062)**

Prior to holding a fundraiser, you must complete the Fundraiser Proposal Request for Student Clubs form. Ensure all of the following **mandatory** items have been included in your request:

- All funds raised through a fundraising event must be expended for the purpose as specifically stated.
- You must provide a detailed description of the event and attach the proposed advertisement, such as the flyer.
- Students will need to obtain approvals from the Club Advisor, Director of Student Life and Vice President of Student Services/Designee (Designee is the Dean of Student Services) **prior to the event**.

During the activity or event, keep a record of revenue and expenses. Ensure all revenue receipts are adequately secured at all times and follow cash handling procedures. To ensure all proceeds are properly accounted for a specific event, it is recommended to use:

- Pre-numbered tickets
- Pre-numbered three-part receipt books
- Cash register (large volume sales)

Deposit funds at the end of the day or event, no later than the next business day. The Fundraiser Proposal Request form must be attached to all deposits submitted to Fiscal Services.

The Club Advisor is responsible for ensuring that adequate planning and internal controls are established and that all of the funds are properly accounted for and deposited at Fiscal Services with all the necessary paperwork at the end of the event.

Fundraising that occurs on campus should be for the benefit of the student club and not for other organizations.

## **DONATIONS TO THE CLUB**

Solicited and unsolicited donations must adhere to District rules (see BP 3820 and AP 3820).

When accepting donation, the donor should be issued a receipt and should complete the Donor Information form. It is recommended student clubs use a receipt book that has triplicate copies.

To deposit a donation to the student club account, submit a copy of the Donation Information Form and a copy of the receipt with your deposit slip to Fiscal Services.

Please note, external organizations that donate to Student Clubs may request Mt SAC's Tax Identification Number (TIN) to claim a tax deduction on their annual income tax return. The District's tax identification number is not needed for any donor to claim a deduction and should never be given out. Government organizations are not required to share their tax identification number. Instead of providing Mt SACs TIN, Fiscal Services will provide a letter to the donor.

## **RAFFLES**

In California, raffles can only be conducted by eligible organizations, as defined by statute in the Revenue and Taxation Code. The College **is not** considered an eligible organization to hold raffles. Holding a raffle would be in violation of **Penal Code Section 320.5**, and is considered a misdemeanor.



## **EXAMPLES OF PROHIBITED PURCHASES/EXPENSES**

All purchases must be in compliance with law and local Board policy, and cannot be considered a gift of public funds. Expenditures should benefit a group of students rather than individuals.

Examples of prohibited expenditures include:

- Donations to other Non-profit organizations
- Donations to families or students in need
- Cash awards to anyone
- Gifts of any kind
  - Gift cards may only be purchased to promote a student club event and are not to exceed \$10 per student
  - A description and purpose of the event must be provided along with the student name, ID, signature and date
- Purchases of Equipment are not allowed
- Payroll or expenses for salaries and benefits are not allowed
- Scholarships paid from student club fund-raisers (see scholarship section)

## **YEAR-END**

Student Club Accounts are part of the District and will follow the same year-end deadlines established for all departments and units. Year-end deadlines are announced in May via campus announcement.

## **CARRYOVER BALANCES**

Carryover balance is the amount of money the club has at the end of the year after all of the revenues are deposited and all of the bills have been paid. It is also called the ending balance. Club Advisors and students should ensure that the funds raised by students during a given school year are spent on behalf of those student club members.

Large or excessive carryover balances are discouraged.

## **INACTIVE CLUBS**

Per BP 5400 and the A.S. Financial Directive Section VI (B) any club that is inactive for four major terms (meaning forms are not filed with Student Life Office) shall have its balance transferred to the A.S. General Fund.

## **INDEPENDENT AUDITORS**

Each year, the District undergoes an annual audit. Student club accounts are considered District accounts and may be subject to audit. If auditors identify a problem or material weakness, this activity may result in a finding that will be reported on the District's audit report. The District will have to respond and correct the problem.

## **CASH HANDLING PROCEDURES**

**Cash handling procedures are intended to provide strong internal controls to protect the individuals handling cash and the College. They are required by the auditors.**

- Student Clubs cannot hold a fund-raising event until they have established cash control procedures for the activity or event.
- The club advisor is responsible for ensuring that the procedures are followed.
- Student Clubs that fail to follow sound internal control procedures will not be allowed to hold fund-raising events.

**Segregation of Duties is recommended to minimize potential for mistakes or misappropriation of cash**

- Duties of collecting cash, maintaining documentation, preparing deposits and reconciling records should be separate.

**Safekeeping and Safeguarding of Cash**

- Clubs handling cash are responsible for the physical security of these assets.
- Unauthorized persons should not be allowed in areas where cash is handled or being collected.
- Large sums of cash should be counted and handled out-of sight of the general public.
- Always have two individuals present when counting cash.
- Cash should never be left unattended (cash registers, desktops and cash drawers).
- Cash must be appropriately secured in a locked box and locked cabinet.
- College cash should never be mixed with an individual's personal bank account.
- All checks should be made payable to: Mt. San Antonio College and not an individual's name or club's name.
- No unauthorized bank accounts shall be opened using Mt. San Antonio College's name or tax identification number. All College bank accounts require approval by the Board of Trustees.

**Cash Control Procedures:**

- Pre-numbered tickets for all sales events (involves two people)
  - One person collects the money and issues the ticket.
  - A second person takes the ticket in exchange of goods purchased.
  - Use duplicate pre-numbered tickets.
  - Tickets should always be sold in sequential order.
  - Ticket Distribution:
    - One copy to the individual making the purchase.
    - One copy is attached to the completed Ticket Inventory and Sales Reconciliation Form.
  - After the event, turn in the following to Fiscal Services:
    - Ticket Inventory and Sales Reconciliation form

### **Cash Control Procedures (*continued*):**

- One copy of the sequentially numbered tickets (including both copies of voided tickets).
- Deposit Slip that reconciles to the ticket sales.
  
- Pre-numbered receipt books for all receipt transactions
  - Use triplicate pre-numbered receipts when receiving cash.
  - Distribution of copies:
    - Original to the individual making the purchase
    - One copy is turned in with the Fiscal Services Deposit Slip
    - One copy remains in the receipt book as the historical record
    - If a mistake is made on a receipt, mark the receipt void and issue another. For voided receipts, two copies remain in the receipt book, and one copy is turned in with the cash to provide for the continuity of receipts.
  - Auditors or Fiscal Services may review the historical record of receipts
  
- A tally sheet for designated activities (involves two people)
  - One person makes a mark on the tally sheet when an item is sold and issues goods; the other person takes the cash.
  - At the end of the event, the number of items sold is multiplied by the item's price.
  - At the end of the event, at least two people should independently count the cash and checks collected.
  - The advisor and students should determine the reason for any differences immediately after the fund-raising event.
  - Turn in to Fiscal Services with the Fiscal Services Deposit Slip.
  
- A cash register for store-type sales.
- Cash boxes to keep the received money safe.

### **CHANGE FUNDS/CASH BOX**

- Complete the Request for Change Funds/Cash Box Form and obtain approvals.
- Bring the form to Fiscal Services no later than 48 hours prior to the event.
- Specify amount needed and denominations (currency and coin).
- For amounts exceeding \$200, give a 72 hour notice. Contact Jackson Kuo at ext. 5372.
- If change funds are needed, the Advisor must pick up and sign for cash and cash box.
- Cash box must be returned to Fiscal Services immediately after the event.
- Under no circumstances may any cash be taken from the cash box to purchase items or for the reimbursement of expenses.
- Violation of these procedures will be grounds for immediate revocation of all cash box privileges.