Finance and Accounting Guidelines
Recognized Student Organizations (RSO)

Contents
Introduction ................................................................................................................................. 2
Recognized Student Organization (RSO) Fund Information ....................................................... 2
  What is a RSO Fund? .................................................................................................................... 2
  What is an Index Number? .......................................................................................................... 2
  Fund Usage .................................................................................................................................. 2
Establishing and Maintaining a RSO fund ..................................................................................... 3
  Requesting a RSO Fund .............................................................................................................. 3
  Assigning Authorized Signers .................................................................................................... 3
  Maintaining Balances in RSO fund............................................................................................. 3
  RSO Fund Information Requests ............................................................................................... 3
Financial Reports ......................................................................................................................... 4
  Closing a RSO fund ..................................................................................................................... 4
Cash Receipts and Income ............................................................................................................. 4
  Completing the Cash Receipt Transaction .................................................................................. 4
  Assigning Revenue Account Codes ............................................................................................ 5
Expenditures and Payments .......................................................................................................... 5
  Payment Authorization Form ....................................................................................................... 5
  Cash/Check Advances ................................................................................................................ 7
  Lost Receipt Affidavit ................................................................................................................... 7
  Assigning Expense Account Codes ............................................................................................. 7
  Awards and Prizes ....................................................................................................................... 8
Funding, Fundraising and Donations ............................................................................................ 8
  University Funding .................................................................................................................... 8
  Limitations on Use of University Funds ...................................................................................... 8
  Payment for Services .................................................................................................................. 9
  Non-University Funding ............................................................................................................. 9
Commercial Bank Accounts ......................................................................................................... 10

Effective 1/1/19
Introduction

In partnership with Student Leadership & Involvement (SLI), the Auxiliaries and Activities Business Center (AABC) serves as the financial home for recognized student organizations (RSO). The AABC serves recognized student organizations by:

- assisting and educating officers about their financial responsibilities;
- ensuring the accuracy of comprehensive financial records;
- aiding organizations in keeping their activities in sound financial condition;
- facilitating continuity between financial officers and their successors;
- providing the means for recognized organizations to use University facilities and services;
- maintaining and upholding fiduciary guidelines as stewards of student organization funds; and
- processing transactions

A RSO fund is required in order to:

- receive any financial support from Oregon State University;
- transact on-campus business of the organization; and
- access benefits of recognition such as reserving campus spaces at free or discounted rates

NOTE: Department Student Organizations (DSO) are not recognized, and therefore the following information does not apply. DSOs should work with their department’s business center for financial support.

Recognized Student Organization (RSO) Fund Information

What is a RSO Fund?
RSO funds are established for outside entities affiliated with and residing at OSU to facilitate ease of use of OSU services. A RSO fund is established for maintaining funds for transacting the business of the organization. The balance in this fund is not owned by OSU. Records of RSO funds are maintained in the University financial information system and student organization balances roll over from year to year.

What is an Index Number?
An index number is assigned in order to reference your RSO fund - it is the key piece of information that allows the University to identify your fund and is used for all financial transactions on campus. Your index number will start with MUN, followed by 3 characters and is available via the club’s dashboard in the RSO Database (Ideal-Logic).

Fund Usage
RSO funds must be managed and utilized by the student officers of the organization, with each fund requiring a minimum of two (2), and up to five (5) authorized signers (Note: Faculty and staff may not serve as authorized signers on RSO funds). Organizations must maintain a RSO fund if they wish to use University facilities or expect to receive funds from University departments and programs. Funds derived from University sources must be maintained in a RSO fund and expenditures require adequate supporting documentation to ensure that funds are properly accounted for and that RSO funds are not used for personal gain.
Establishing and Maintaining a RSO fund

The student organization recognition process for an academic year begins in early May and the recognition status expires at the end of week one of Fall term the following year (total of up to fifteen months). Student organizations are required to register annually for their RSO fund to remain open. An organization’s RSO fund becomes inactive when a club fails to renew their recognition. The AABC will close any RSO fund that has been inactive for two consecutive academic years. Any remaining funds in a RSO fund that is closed due to inactivity will be transferred as designated when the fund was opened.

Requesting a RSO Fund

1. Establish or reactivate University recognition of your organization through the Student Leadership & Involvement (SLI) office.
2. Once recognized, any current officer may go to the AABC to establish a fund. A fund request form is completed by the officer and submitted through the AABC to OSU’s Budget Office for issuance of the RSO fund. Upon submission, it may take up to four weeks for the fund to become active. If the organization has need to conduct business before a fund has been activated, a temporary fund may be used in the interim.
3. The AABC will notify the authorized signer that was listed on the RSO request form of the new index number and that it is ready for use.

Assigning Authorized Signers

An authorized signer is an officer of a student organization who has permission to spend money from their RSO fund. During the annual recognition process, the primary contact (student who registers the group) will identify the officers who should be authorized signers for the organization. The nominees will receive an email asking them to agree to the terms of being an authorized signer and to complete authorized signer training. When an officer has agreed to the terms and completed their training, their signer status will be authorized.

Maintaining Balances in RSO fund

The authorized signers of your organization have been entrusted with the great responsibility of financial management and record keeping for your group. In performing the duties of financial officer, it is important to have a clear and accurate picture of the organization’s monetary status at all times. Student organizations are advised to keep independent financial records and use the statement of activity report as a check on their internal records.

Organizations are not permitted to run deficit balances. It is the responsibility of the authorized signers to secure funds before incurring expenses, and deficits remain the responsibility of the organization to manage. If a fund does run a deficit, the AABC will place a “freeze” on the organization’s fund, and no further transactions will be permitted until the deficit has been rectified. The AABC will notify the organization if their fund balance is in deficit and the fund must be cleared as soon as possible. Failure to do so will result in the group not being permitted to expend from their RSO fund to participate in campus events, schedule events or book campus space. Please consult with an AABC or SLI representative with any questions you may have regarding your financial activity.

RSO Fund Information Requests

Authorized signers for groups may visit the AABC or contact the AABC from an OSU (ONID) email to request fund information. Be sure to provide your name, group name, and index number in your request. This information can also be accessed through http://core.oregonstate.edu by a treasurer. AABC is unable to provide this information over the phone.
Financial Reports
Financial Reports for each RSO fund are available via https://core.oregonstate.edu or through the club’s dashboard in Ideal-Logic. It is highly encouraged that organizations review their RSO fund activity no less than monthly in order to reconcile the fund with their own records. If any irregularities are found, contact the AABC as soon as possible. If there is a discrepancy in a financial report, a student organization will have until the closing of the fiscal year (approximately the second week of July) to address the discrepancy. No corrections will be made after the closing of the fiscal year. Please consult the AABC if there are questions on how to read the financial report.

Closing a RSO fund
Student organizations may choose to officially close a RSO fund at any time. In order to close your RSO fund in its entirety, all outstanding payments must be cleared, and any remaining funds may be transferred to another RSO fund, a University/Foundation index, or donated to an outside entity (i.e. national organization, charitable or philanthropic cause, or other non-profit with valid Tax ID number).

To close a RSO fund, a Fund Closeout Request form must be submitted, including an explanation detailing the reason for closing the fund, where the remaining funds should be transferred, and signed by all authorized signers.

Cash Receipts and Income
All funds generated by student organizations on University property must be transferred into a RSO fund. All money should be brought to the AABC located in SEC 350 as soon as possible to ensure that nothing happens to the funds. If you have a weekend or evening event and need to keep the money in a safe place until the business center is open, work with SLI to determine a safekeeping alternative.

Please take the following steps to expedite the cash receipts process:

- **Index Number**: This number is important and ensures the money gets transferred into your fund correctly. This information will be required to complete the transfer.
- **Currency**: Separate the bills by denomination and have them all facing the same direction. You should have a total count of the money to be added to your fund, and a subtotal of each category (currency, coin and checks). Include amounts in the total of the cash receipts record. Foreign currencies cannot be included in these transactions.
- **Check/Money Orders**: All checks must be payable to Oregon State University. Checks made out to the student organization, or to third-parties (i.e. made payable to an individual or CASH) cannot be transferred to a student organization RSO fund. Any returned checks will be the responsibility of the student organization to address.

At this time, electronic transfers cannot be used to move funds into a RSO fund. This includes electronic fund transfers (EFT), PayPal, Google Wallet or similar providers.

Completing the Cash Receipt Transaction
The student will complete a cash receipts record slip with their information. A receipt will be issued and it is the responsibility of the student organization to retain the receipt as confirmation and should be retained for subsequent verification against your fund statements.
Assigning Revenue Account Codes
A member of the RSO will assign a revenue code to each cash receipt transaction. Revenue account codes identify funds transferred into your organization’s fund. They are used extensively on the University’s monthly financial statements, which are available for every RSO fund. These reports reflect your group’s revenue as well as expenses on a monthly basis. When completing the cash receipts record, choose the most appropriate account code from the list below:

- 06002 - Sales
- 06033 - Wearing Apparel Sales
- 06034 - Gifts & Novelties Sales
- 06432 - Ticket Sales General Admission
- 06901 - Miscellaneous Sales & Service Income
- 08001 - Miscellaneous Other Revenue

AABC has the discretion to update account codes as needed to align with proper coding for revenue. The RSO will be notified when the account code is updated from a non-taxable to taxable account code. AABC may notify the RSO in other instances as needed for the RSO’s reference.

Expenditures and Payments
Upon the request of an authorized signer, the AABC will issue payments from the RSO fund on behalf of your organization. The AABC cannot issue checkbooks to student organizations. There are a few methods to utilize RSO funds to pay for goods and services.

Payment Authorization Form
The Payment Authorization is used to reimburse an individual for expenses incurred out of pocket, to pay a vendor invoice and initiate a journal voucher transfer to another OSU index. This form collects the critical information needed to process payment, including index number, expense code, contact information for payee and justification of payment. All Payment Authorization forms must be submitted by an authorized signer, and no signer may submit a form for payment to themselves.

Before any payments are processed, the AABC will verify the following required information:

- Payment request is filled out and signed by an authorized signer;
- Recognized student organization’s status;
- Required supporting documentation is included which ensures that funds are properly accounted for, that no funds are used for private gain and that purchases have a legitimate business purpose;
- There are enough funds available to cover the disbursement. Any transactions that will place a fund in a deficit will be held until sufficient funds are available.

All supporting documentation is kept within the University’s financial system. The AABC, in partnership with the Controller's Office, reserves the right to determine what constitutes adequate supporting documentation.

Reimbursements
An organization may reimburse a member of the group who has paid for the organization’s expenses out-of-pocket. The authorized signer submitting the payment request cannot be the person being reimbursed. All original receipts (no duplicates) need to be attached to the Payment Authorization form.
If purchasing items from a business that does not typically provide an itemized receipt, they may be able to provide one if specifically requested. Do not conduct business with any place that does not give receipts, or does not provide the required information listed below, as the AABC will not issue a reimbursement without the required documentation.

- Payment Authorization form
- Receipt/s (must be original) detailing the purchase must have:
  - Name/address of the company where items were purchased
  - An itemized list of what was purchased
  - Proof of payment

Reimbursement will be processed no less than 5 days from submission of purchase request and required documentation. Processing times vary based on individual’s status in the University’s financial information system. International transactions will be managed on a case by case basis.

If the reimbursement is less than $100, the individual can be reimbursed immediately in the AABC via the cash out method rather than waiting for a check to be processed. The Payment Authorization form and supporting documentation are still required.

The AABC will not reimburse for alcohol, marijuana or other drugs and may not be able to reimburse someone who has paid another individual for a service provided to the group.

**Vendor Payments**

Student organizations may request payment be made to the vendor directly. This includes payment for goods or services. In instances where a RSO is paying for services (i.e. DJ, choreographers, speakers, and honorarium), OSU is unable to sign a contract with the vendor on behalf of the RSO.

Upon receipt of an invoice from the vendor, the following documents should be submitted to the AABC for processing payment.

- Payment Authorization form
- Invoice detailing the order must have:
  - Name and address of the company/Payee
  - Items ordered
  - Total amount due to be paid
- Any attachment that should accompany payment

Processing times varies based on:

- Vendor payment terms;
- Timely submission of documentation; and
- Vendor’s status in the University’s financial information system

If the vendor has not been set up in the financial information system, additional steps will be required to get them set up. The vendor will receive an invitation electronically requesting the information needed to make payment. Processing time for payment will depend on responsiveness of a vendor. To find out if a vendor is already in the University’s financial information system, contact the AABC.
Journal Voucher Transfer
To issue payment to other student organizations or OSU departments, a journal voucher transfer can be requested that will move the funds electronically from one index to the other. A journal voucher may be processed for expending funds out of your RSO fund by completing a Payment Authorization form. Transfers may take up to 5 business days to process.

Cash/Check Advances
Students may request funds from a RSO fund in advance of expenditure to cover incidental expenses. To request a cash advance, an authorized signer must submit an Advance Request form (requestor cannot be the person receiving the advance.)

- Advances are limited to $400. Requests for larger amounts will be considered on a case by case basis and require SLI pre-approval. These requests must be requested at least 3 weeks in advance. In addition, advances over $400 will be provided via check only, not cash.
- A student organization may have no more than one (1) outstanding cash advance per organization at a given time.
- Due to OSU fiscal year end closing procedures, advances are not available during the month of June and all reconciliations must be completed by May 31.

Advance Reconciliation Form:

- SAVE ALL RECEIPTS for expenditures. These must be ORIGINAL receipts, not copies.
- Within two weeks of receiving an advance, take all receipts to AABC to file the Advance Reconciliation form.
- If a satisfactory reconciliation form is not filed, the fund may be frozen and the advance may be reported as taxable income to the student receiving the advance.
- Unspent money should be returned back into the RSO fund.
- If more money was spent than requested, the student can be reimbursed from the RSO fund for the additional cost through a Payment Authorization form.

Lost Receipt Affidavit
In the case that a receipt is lost, an individual may complete a Lost Receipt Affidavit. This form is available in the AABC and must be signed by SLI. Once signed, this form can be submitted to AABC along with any other forms and supporting documentation. The use of this form in lieu of receipts should be rare.

Assigning Expense Account Codes
The authorized signer will assign an expense code to each purchase. Expense account code identifies the type of transactions made from your organization’s fund. They are used extensively on the University’s monthly financial statements, which are available for every fund. These reports reflect your group’s expenses as well as revenue on a monthly basis.

- 20102 - Supplies - General Operating
- 20169 - Awards - Non-employees
- 20200 - Minor Equipment
- 22503 - Mailing Service
- 23501 - Equipment Maintenance & Repairs
- 24101 - Equipment Rentals
AABC has the discretion to update account codes as needed to align with proper coding for expenditure. The RSO will be notified when the account code is updated from a non-taxable to taxable account code. AABC may notify the RSO in other instances as needed for the RSO’s reference.

Awards and Prizes
Awards and prizes purchased through a RSO fund may be subject to tax reporting. RSO is responsible for providing recipients name and award amount when this information is available to the AABC.

Funding, Fundraising and Donations

University Funding
All student organizations must be recognized by the University and up to date on all requirements to apply for and receive funding from any University entity, including SORCE and the OSU foundation. Student organizations can use allocations from the University for the development and enrichment of the student organization in accordance with the University mission.

Limitations on Use of University Funds
These guidelines apply to funds distributed directly from OSU schools, colleges, centers, institutes, departments, offices, and programs to recognized student organizations. Student organizations may NOT use University funds for the following:

- Political campaign activities. “Political campaign activities” include advocating for or against a candidate for federal, state, or local elective office; advocating for or against the adoption of legislation on a federal, state, or local level by contacting, or urging the public to contact, members or employees of legislative bodies; and advocating for or against the qualification or adoption of a state or local ballot initiative. This does not preclude use of University funds in connection with activities discussing political issues or involving expression of political or controversial viewpoints.
- Staff salaries. Student organizations may not use University funds to support the salaries of employees.
- Scholarships
- Illegal activity.
- For-profit activities.
- Alcohol, marijuana or other drugs
● Religious exercise. University funds cannot be used to provide direct support of religious worship. This prohibition does not preclude use of University funds in connection with activities involving the expression of religious viewpoints nor does it preclude groups that engage in religious worship from receiving funding for other activities.
● Charitable donations to organizations outside the University.

Oregon State University applies its funding guidelines in a viewpoint-neutral manner and is committed to working with all recognized student organizations to ensure appropriate access to all University benefits, including funding.

Funding Request
In order for any University or Foundation funds to be awarded to a recognized student organization a funding request must be generated through Ideal-logic and submitted to the dean or director of the OSU department or program from whom funding is being requested. When soliciting the University for funding support, be clear if you are asking just for financial support or if you are asking for the University Unit to sponsor your event. Upon approval of a funding agreement by all parties, transfer of funds into a RSO fund can take up to ten business days.

There are two types of funding requests available:
● Annual Funding Request: At the discretion of their sponsoring department, Sponsored Student Organizations (SSO) may submit a request for an annual or quarterly budget for disbursement into their RSO fund. Where available, this request will be made as part of the annual recognition process.
● Activity/One-Time Funding Request: Any recognized student organization, whether Voluntary (VSO) or SSO, may solicit any OSU department or program for financial support.

Payment for Services
RSOs who perform an agreed upon service should create an invoice and submit it to the department or program for payment (i.e. performances, participation fees, and clean-ups). The department or program will approve and process the invoice through their business center.

Non-University Funding
Student organizations can raise their own non-University funds through various means. Non-University Funds may be raised in many ways, including but not limited to membership dues, alumni donations, off-campus fundraising, and grants (from non-University sources). Unlike with University funds, student organizations may use non-University funds for any lawful purpose, with exception to scholarships, salary, alcohol, marijuana or other drugs. Invoices should include the following information:

● Name of organization
● RSO index
● Date of service
● Description of service
● Total amount due

Fundraising
All proceeds of events held on University grounds or in University facilities must be collected into the organization's RSO fund.
Raffles and Drawings

Raffles are seen as gambling and are governed by the Oregon State Gaming Commission.

- If you are an SSO and want to move forward a raffle, contact the Office of University Events - they will advise you on trying to move forward.
- If you are a VSO - contact the Oregon Gaming Commission directly.

Although, you can go through the process to have a raffle approved, it is much easier if you make your event a free will drawing. This simply means, market your tickets with a suggested donation price instead of a required cost. You would also need to allow free entry to anyone who requests it. This allows equal access to anyone that wants a chance to win so the gambling regulations do not come into play. Remember Drawing instead of RAFFLE.

Donations

If a donor (i.e. an individual or a corporation) is seeking to make a tax-deductible monetary donation that is possible only in the following situations:

- Your organization accepts a donation that is given through your national organization, which has 501(c) (3) status. In this case, the national organization will acknowledge the contributor.
- Organization has 501(c) (3) status.
  - Your organization will provide the contributor with your tax-exempt information
  - If a Voluntary Student Organization (VSO) has its own charitable status under Internal Revenue Code Sec. 501(c) (3), it may accept the gift on its own authority and may process it under its own procedures.
- Organization does not have a 501(c)(3) status
  - Sponsored Student Organizations (SSOs), through their mission alignment with their sponsoring unit and the University, are eligible to receipt donations through their sponsoring unit if the sponsoring unit is willing to accept the charitable donation on behalf of the SSO. The sponsoring unit must provide guidance and oversight for charitable contributions to SSOs, complying with the intentions of the donor and the law. The OSU Foundation will take care of acknowledging the contributor.
    - A Payment Authorization form must be submitted to transfer the donation from the University/Foundation index into the club’s RSO fund.
    - The OSU Foundation will charge a 5% fee on all gifts.
  - Voluntary Student Organizations (VSO) are able to receive donations, however, they are not able to provide a tax receipt since unless they have 501(c) (3) status. When receiving a donation, VSOs must inform the donor that they will not receive a tax benefit from the transaction.

The AABC and SLI do not keep track of tax information for recognized student organizations. Please seek advice from a tax professional regarding all tax issues, as OSU legally cannot advise.

Commercial Bank Accounts

Although some student organizations view bank accounts in outside financial institutions as beneficial, there are several downsides to holding a bank account. The use of outside accounts is discouraged.

- Banks require either an individual’s Social Security Number or a Federal Tax Identification Number for a company.
○ Using one’s personal tax ID (social security number) potentially puts an individual at risk for significant tax liability and is not recommended.
○ No student organization (VSO or SSO) is authorized to use the University’s tax identification number to open an outside bank account. Doing so is grounds for immediate de-recognition and the outside account must be closed.
○ Banking institutions often charge fees, which won't occur through a student organization RSO fund (There are no fees associated with a RSO fund).

● Treasurers change each year, and records are apt to get lost or not forwarded. Maintenance of records by AABC ensures financial continuity with a RSO fund.
● Having all funds pass through the club’s RSO fund ensures proper documentation and tax reporting for authorized expenses.

○ There is no institutional review on spending from an outside bank account. Many student organizations have found themselves without recourse after their outside account was depleted as a result of unauthorized withdrawals.