

Finance 101



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Questions? Contact the Finance Director at [gsbfinance@iastate.edu](mailto:gsbfinance@iastate.edu).

### **Background**

The Government of the Student Body receives money to fund many different student organizations on campus. The money GSB uses to fund groups comes mainly from student fees. To allocate these funds, the GSB Finance Committee makes recommendations to the Senate regarding distribution of the student fees, which in turn are distributed to student organizations through the Regular and Special Allocations processes. Student organizations must apply to receive funding from GSB and must follow the guidelines set by the GSB Finance Committee and GSB Law.

### **Who cannot receive funding from GSB?**

- Organizations wishing to use funds to relieve debt to GSB or outside entities
- College or Residence Area GSB constituency councils
- Organizations that receive money from academic departments or college councils
- Organizations which consist of students primarily from one academic department
- Organizations in which members receive academic credit for membership
- Organizations which primarily aid students in obtaining internships, scholarships, or professional degree status
- Organizations which maintain affiliation with a professional organization
- Organizations which contribute financial or material support to or accept financial or material support from political parties or campaigns

#### *Examples of groups that cannot receive funding*

- Residence Halls (not open to all fee-paying students)
- Greek Houses (not open to all fee-paying students)
- Departmental Groups
- Pre-professional Groups

## **Who can receive funding from GSB?**

In order to receive funding your organization must:

- Be officially registered with the Dean of Students Office or recognized by an Act of the Senate as providing a service available to the University community
- Abide by and provide evidence through governing documents that outline adherence to the Iowa State University non-discrimination affirmative action policy
- Provide a tangible benefit to the University community
- Be open to all activity fee-paying students and spouse cardholders
- Demonstrate consistent service to the University as a functional student organization
- Not contribute financial or material support to or accept financial or material support from any political party or campaign. Campus publications shall be able to endorse candidates in sections clearly marked as opinion
- Be a Sports Club and include your request in the Sports Club Council Request

## **What types of funding can an organization request?**

### *Regular and Special Allocations*

The Regular Allocations process is the normal process through which student groups request funding. This begins the spring before your organization wishes to receive funds. These funds are available from July 1 until June 30 of the following year and they are released for spending between September and October of the fall semester. There is approximately \$1.1 million available for GSB to allocate to various student groups during the Regular Allocations process.

The Special Allocations process is for groups that did not go through the Regular Allocations process to request funding or for organizations that had an unforeseen expense. This process begins the fall semester prior to the disbursement of funds. These funds are available between January 1 and June 30 of the fiscal year. Only \$20,000 are available for distribution during the Special Allocations process.

The process is essentially the same for both the Regular and Special Allocations, however there are a few minor differences. There is a one-week shorter time period for organizations to complete their budgets for the Special Allocations process. Special Allocations also has only one weekend for hearings, whereas Regular Allocations requires three weekends. This time difference is because there is much more money available and more groups requesting funding through Regular Allocations.

### *Senate Discretionary Account*

In order to receive funds from the Senate Discretionary Account, a bill must be written by a GSB Senator to request the funds. This process requires at least two weeks to go through the GSB process and to be passed by the Senate. There is about \$6,500-\$7,000 available in each of the sessions of Senate, and there are three sessions per term. These funds can be used for any items the Senate deems appropriate.

**Capital Projects**

All capital projects must have a bill written by a GSB Senator in order to receive funding. This bill must be passed by the Senate as well as by the GSB Finance Committee. Items with a value greater than \$1500 and with a determined life expectancy qualify to be funded as a Capital Project. These items are usually not personal items and, once purchased, are property of GSB and are available for any organization at ISU to use.

Figure 1 below illustrates the breakdown of money allocated by GSB for the 2006-2007 school year.

**Account Allocations for 2006-2007**

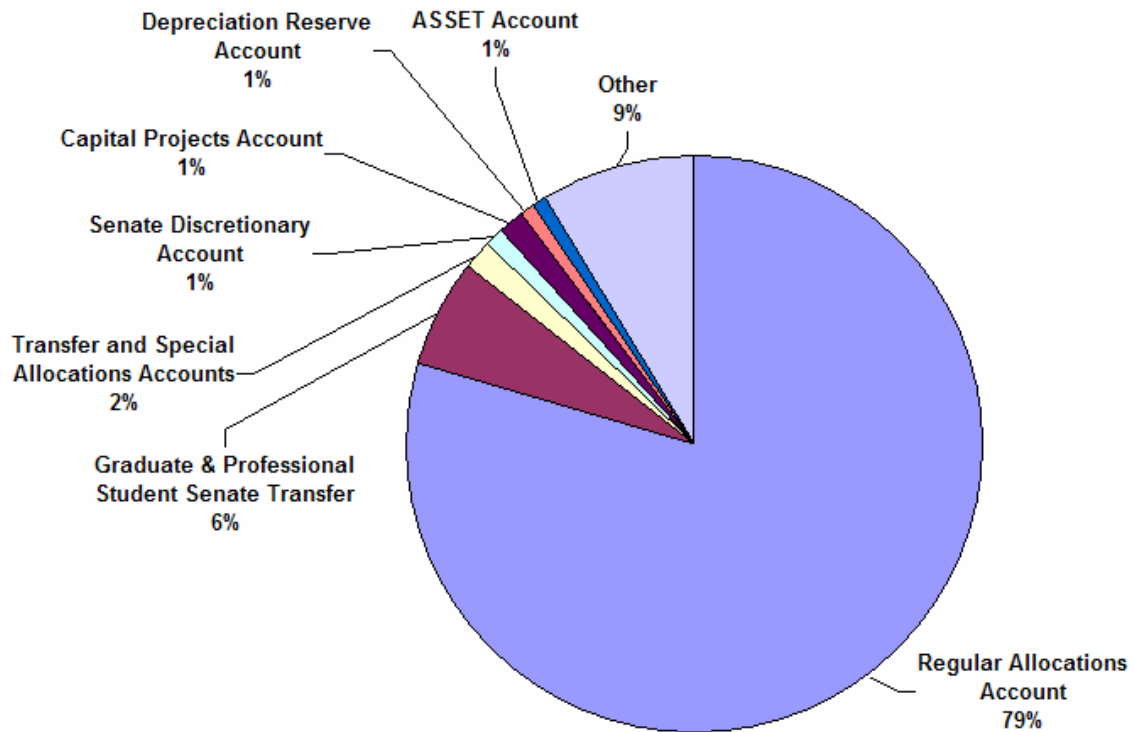
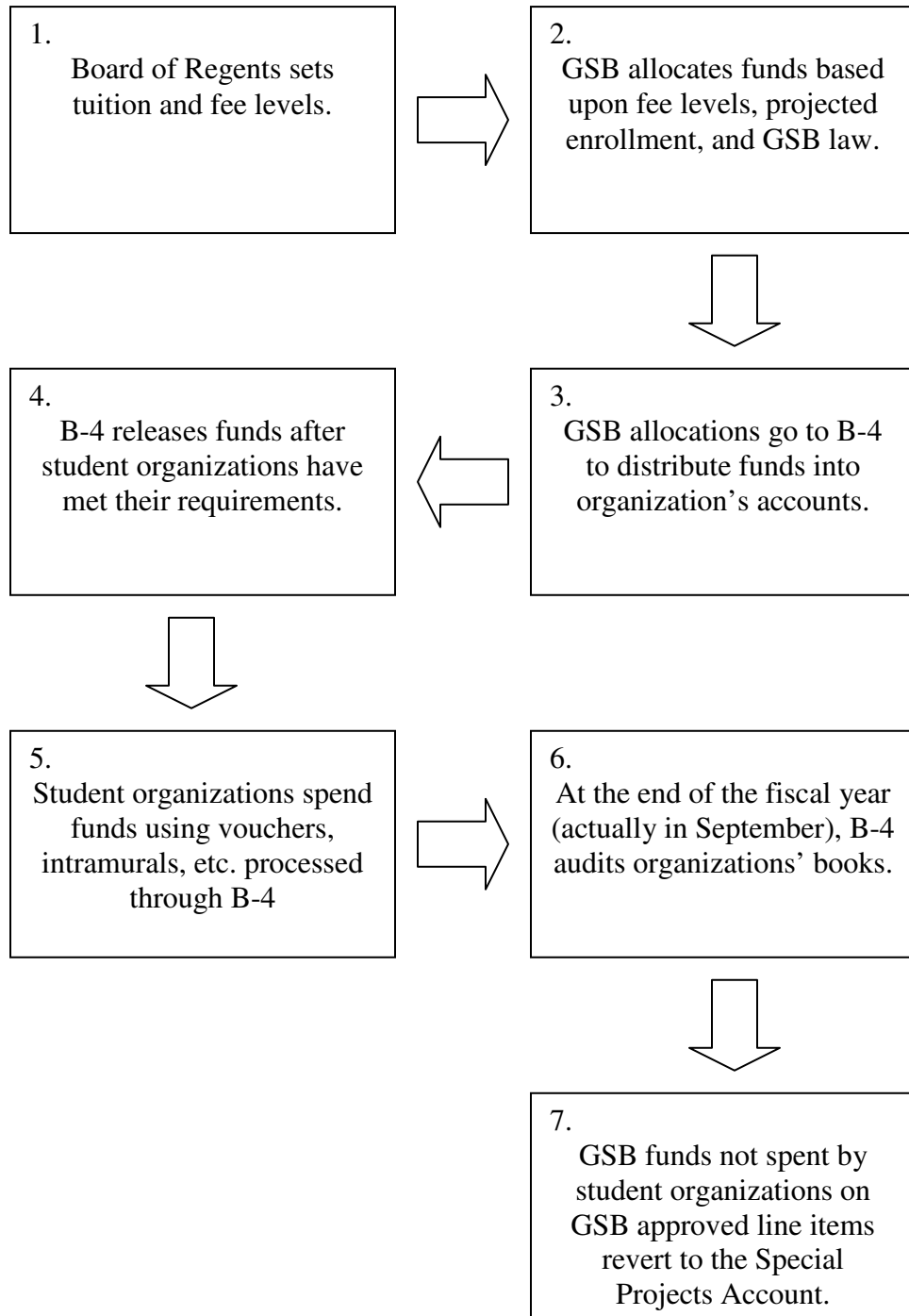
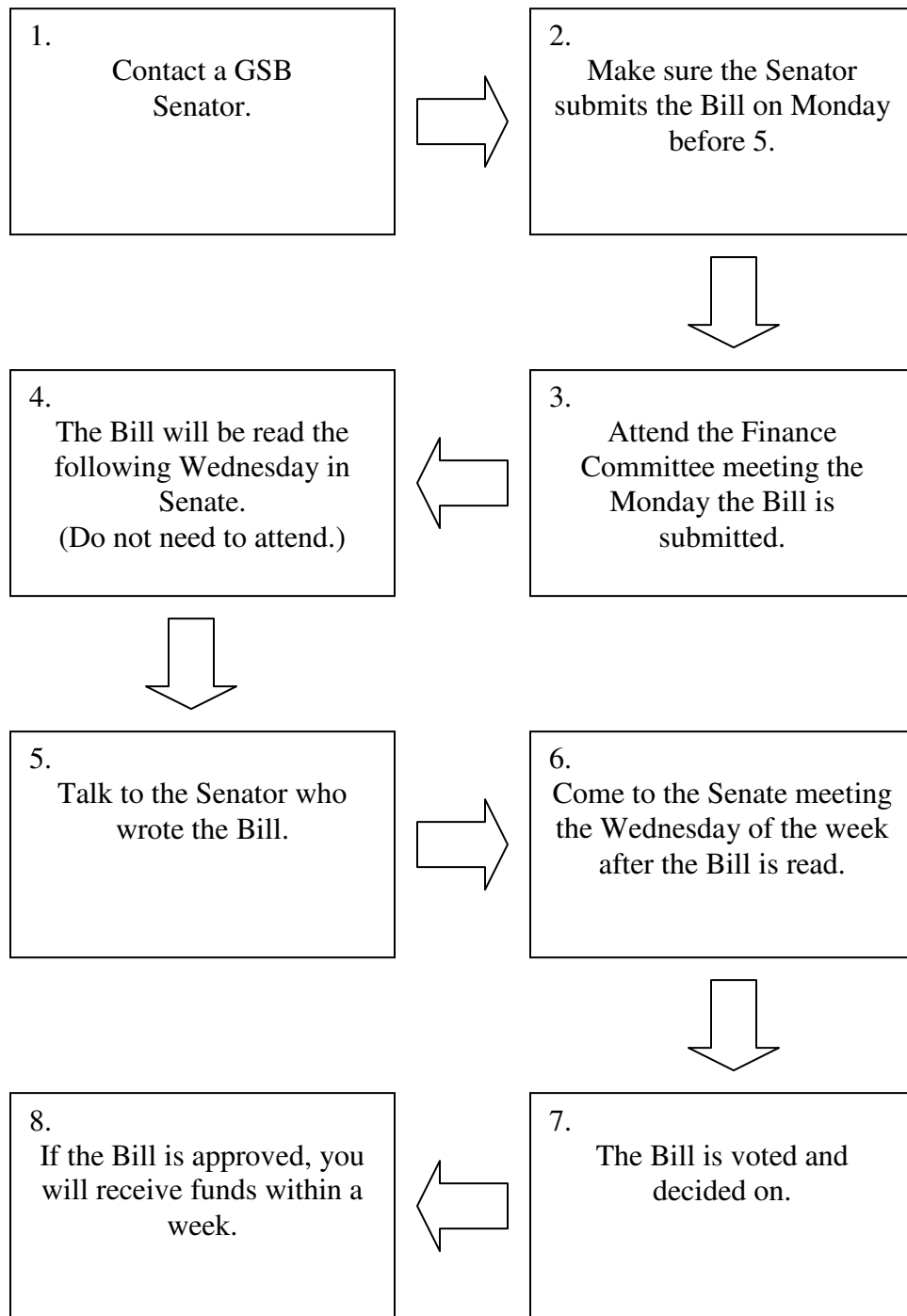


Figure 1

**Flowchart for Allocation of GSB Funds**



### Flowchart for Receiving Funds through Senate Bills



## **What steps must your organization go through to receive funds through Regular and Special Allocations?**

### **1. Attend an Informational Meeting**

The first step to begin the application process is to attend an informational session (one per year). All organizations requesting funds must attend one of these sessions. If no members are able to attend they must contact the Finance Director at [gsbfinance@iastate.edu](mailto:gsbfinance@iastate.edu) prior to the last informational session.

During the chosen session each group will be given an informational packet and will be asked to fill out the “Intent to Request Funds” form. Completing this form will allow your organization to begin building its budget.

### **2. Attend Budget Help Sessions**

There will be optional budget help sessions scheduled that groups may attend to receive help creating their budget. At these sessions members of the GSB Finance Committee will be available to work through individual budgets.

Help sessions are also available by appointment if unable to attend a scheduled session.

There is also a budget step-through process available online at <http://www.gsb.iastate.edu/finance/documents/ofp-walkthrough.doc>

### **3. Allocation Hearings**

Once a budget has been submitted by the listed date there will be allocation hearings to determine what changes need to be made to the proposed budget. Motions will be made to cut, rename, and make budgets appropriate to the rules and according to the amount of money that is available. Special Allocation sessions usually take one Friday or Saturday, whereas Regular Allocations take place on two or three Fridays and two Saturdays.

### **4. Budget Balancing Session**

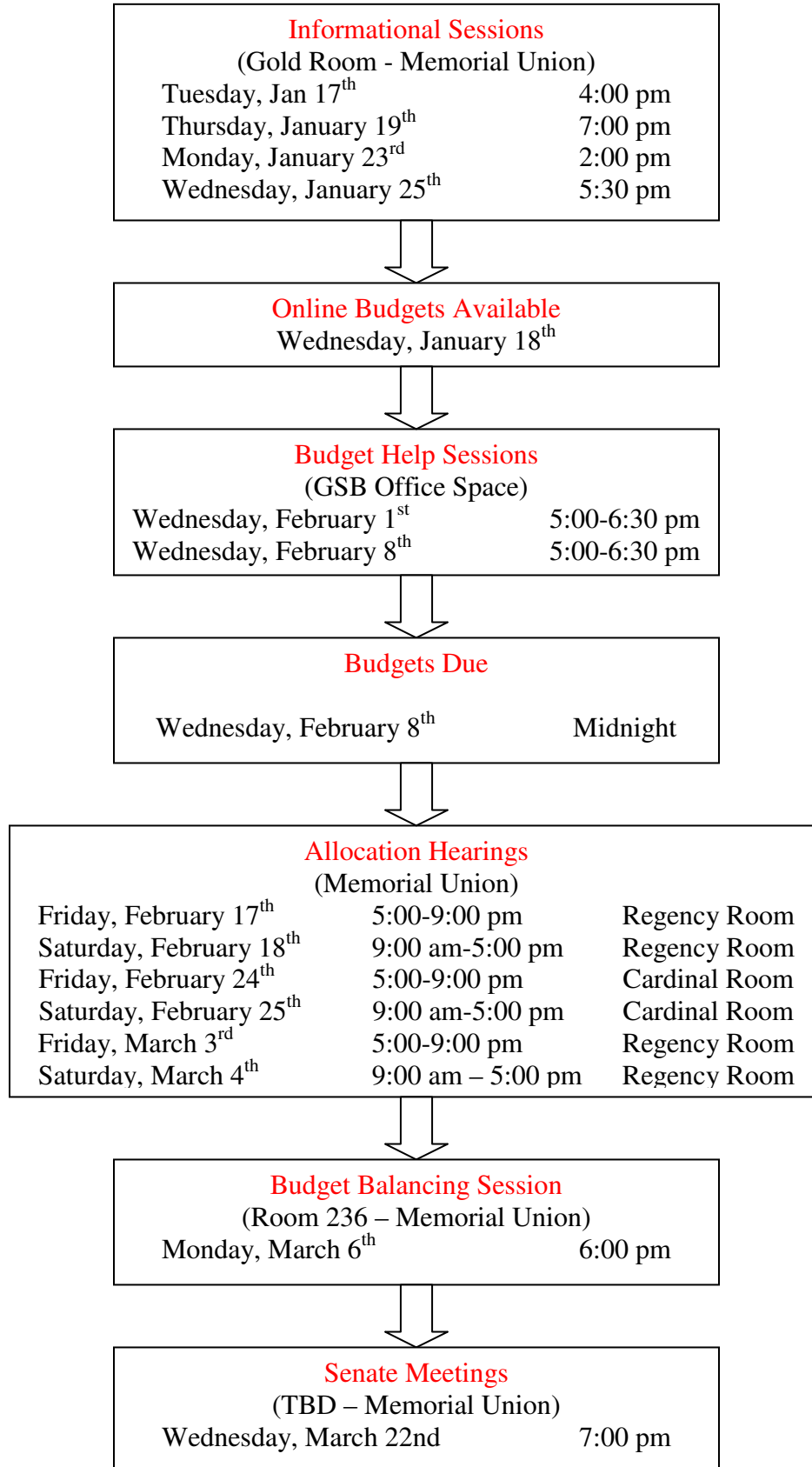
The Monday following the final allocation session there will be a budget balancing session. This session is only required for groups who have submitted a budget which is unbalanced or has become unbalanced due to changes made at the allocation hearings. Groups that need to attend will be notified after the last allocation hearing.

### **5. Senate Meetings**

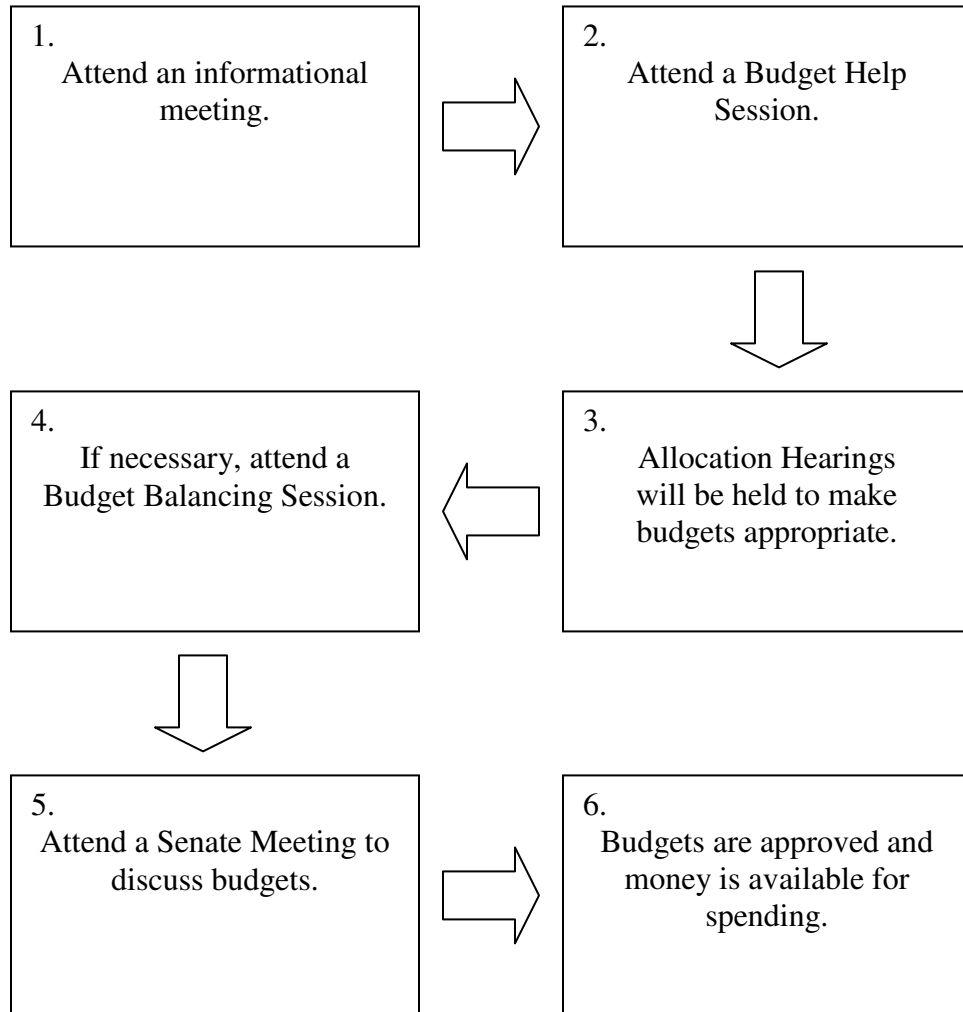
Upon completion of balancing sessions the finalized budgets are sent to the GSB Senate. The senate has the ultimate power and can send back the budget, give out no money, or pull out specific groups to discuss their budget.

There are two (2) senate meetings to discuss budgets. The First Read is a session that organizations who have submitted budgets do not need to attend. For the Second Read and Passage it is asked that group members be in attendance

**Timeline for Regular Allocations Important Dates 2006-2007**



### Flowchart for Receiving Funds through Regular and Special Allocations



## What GSB **WILL NOT** Fund

### *Non-Criteria Expenditures*

\*Non-Criteria Expenditures are items that GSB *will not* fund. The following shall be considered Non-Criteria Expenditures:

- Association Dues
- Campus Building Rental
- Clerical Services (Non-Salary)
- Donations, gifts, and memorials
- Fundraising Expenses
- Insurance
- Social Activities
- ISU Center Services
- League Registration Fees
- Lodging
- Non-International or Ethnic food
- Patches, pins, and trophies
- Photography

The Finance Committee reserves the right to deem other items not listed above as non-criteria expenditures.

## What GSB **WILL** Fund

### *Criteria Expenditures*

\*Criteria Expenditures are items that GSB *will* fund. The following shall be considered Criteria Expenditures:

#### *Advertising*

##### *Campus Newspapers*

Requests for advertising will be considered at the current student organization rate according to the following:

|                       |                               |
|-----------------------|-------------------------------|
| 2 to 9 members        | 8 column inches per semester  |
| 10 to 34 members      | 10 column inches per semester |
| 35 to 59 members      | 14 column inches per semester |
| 60 to 99 members      | 18 column inches per semester |
| More that 100 members | 22 column inches per semester |

#### *Other*

Advertising in other media will be considered only if direct benefit to Iowa State University students can be demonstrated.

#### *Books, Magazines, Videos, and Media*

Books, Magazines, Videos, and Media that are educational in nature and further the group's purpose shall be considered, but must not be already available on

campus. Organizations are required to place GSB funded media in a public location, as directed and advised by the Finance Committee, such as the Library, MU Browsing Library, or reading rooms located throughout campus. Office space is not considered public.

The amount of media for a student organization will be based upon the number of due-paying members.

|                    |       |
|--------------------|-------|
| 0 to 34 members    | \$50  |
| 35 or more members | \$100 |

Funding for Books, Magazines, Videos, and Media that is not essential to the organization’s purpose or activities shall not be considered.

***Capital Expenses***

All capital equipment purchased with GSB funds is the property of GSB. Capital equipment will be defined as an item with a useful life expectancy of at least three (3) years.

- Capital expenses for organizations that have been registered with SAC for less than one (1) year will not be considered.
- All GSB purchased equipment must be equally accessible to all members or constituents.
- Evidence of abuse or mishandling of equipment will be grounds for denial of further requests.
- Organizations must submit three (3) written bids on a capital equipment request form for each item unless it is impossible to get three bids.
- The bids must be for the same or comparable equipment from three (3) separate vendors.
- The GSB will not fund computer hardware unless there is a need for confidential records to be stored on it, or limited access to it, or a significant cost savings can be demonstrated.
- The GSB will fund computer software only in special cases.
- Disposal of GSB capital equipment requires the written approval of the GSB Finance Director.

***Clothing or Costumes***

Only international or ethnic costumes will be considered that have more than a one (1) time use and are not fitted to a specific person.

- An itemized inventory list of clothing and/or costumes must be submitted with the budget, including the location of the clothing/costume and the GSB tag numbers.
- Clothing or Costumes must be stored in a public location as directed and advised by the Finance Committee
- Sports uniforms will not be considered.
- Organizations must submit three (3) written bids, if available, on a clothing request form for each item.

- Clothing/costumes must not be available on campus.
- Funding for clothing/costumes that are not international/ethnic in nature will not be considered.
- If funding was granted the previous fiscal year, it will not be considered during the current allocation cycle.

**Communications**

*Ethernet*

Monthly charges for Ethernet service for twelve (12) months will be considered for organizations that have an on-campus, non-residence hall room office with a telecommunications account. Network locker space will be considered on a case-by-case basis. Installation fees will not be funded.

*Long Distance Telephone*

Requests of up to \$25 per semester for long distance and fax charges will be considered for organizations with an ISU telecommunications account. Special requests for monthly charges will be considered. Phone cards will not be considered. A fax machine is available in the GSB office.

**Conferences and Transportation**

Requests for up to the full cost of registration and transportation to a specified number of conferences will be considered according to the following:

|                    |                       |                          |
|--------------------|-----------------------|--------------------------|
| 2 to 9 members     | One (1) conference    | Two (2) people           |
| 10 to 34 members   | One (1) conference    | Four (4) people          |
| 35 or 89 members   | Two (2) conferences   | ¼ of dues paying members |
| 90 or more members | Three (3) conferences | ¼ of dues paying members |

- Conferences must be identified by sponsoring organization, date, place, and official detailed description of the conference to be considered; such as website, brochure, etc.
- Each organization may only request a maximum of \$1000 per conference, unless an exception is provided herein. This cap includes registration and transportation costs.
  - Organizations designated as non-categorical shall be presumed to have 35 dues paying members, unless the Finance Committee, for the purpose of calculating conference funding, makes an exception.
  - Organizations eligible for two (2) conferences at \$1000 may instead request one (1) conference no greater than \$2000.
  - Organizations eligible for three (3) conferences may request up to 3 conferences such that the total Conferences request is no greater than \$3000.

- Requests for conference funding totaling greater than \$2000 (for organizations with 90 or more members) shall require an affirmative vote of 2/3 of the Finance Committee.
  - Organizations requesting conference funds for four (4) or less individuals shall be eligible for a maximum of \$300 per individual per conference.
  - Organizations classified as competitive and recreational shall not be eligible to request conferences. Instead, organizations classified as competitive and recreational shall be eligible to request competitive trips, as designated below.
- Organizations must complete a Conference Evaluation Form within two (2) weeks of returning from the conference. Future funding will be dependent on content and completion of the form.
  - Conference lodging and meals will not be considered
  - Conference expenses for organizations that have been registered with SAC for less than one (1) year will not be considered
  - Expenses for faculty or staff will not be considered
  - Leadership conferences will be considered only if there is sufficient evidence that the conference in question does not duplicate services provided on campus
  - Job fairs will not be considered

### ***Conference Transportation***

Transportation to and from the conference site will be considered up to the current rates for the GSB or appropriate University vehicles. GSB vehicle rates will be approved by the Finance Committee and reported to the GSB Senate prior to the first Informational Session of the Regular Allocations process.

- Only mileage found using the current GSB method will be considered
  - Mileage can be found using <<http://maps.google.com>>.
  - Only city-to-city mileage to the conference and back will be funded.
- Travel expenses at the conference will not be considered.
- The GSB will only provide transportation funds for those organization members receiving conference registration funds.
- Funding for transportation can only be used for GSB or University vehicles, or to subsidize other modes of commercial transportation.

### ***Competitive Trips***

Student organizations must be classified as **Competitive and Recreational** to be eligible for competitive trips. There will be no cap on the number of competitive trips that can be considered. Competitive and recreational organizations will be funded with the understanding that they will receive a reduced funding in compensation for the increased trips. The following guidelines will be applied:

- Reduced rate will be 75% of GSB or appropriate University vehicle rate.
- Requests up to the full amount of registration will be considered.
- Requests for lodging for competitive trips will not be considered.
- Requests for meals will not be considered.

- Funding for transportation can only be used for GSB or University vehicles, or to subsidize other modes of commercial transportation.
- Vehicles required for safe equipment transport will be considered on a case-by-case basis at the current University rate.

***Non-Conference Transportation***

Funding for non-conference transportation shall be considered on a case-by-case basis. Funding will only be given for use of GSB or University vehicles, or to subsidize other modes of commercial transportation.

***Copyright and Licensing Fees***

Copyright and licensing fees will be considered on a case-by-case basis.

***Utility***

All requests for utilities will be handled on a case-by-case basis.

***International or Ethnic Food***

Requests for International or Ethnic food events will be considered only if open to the public and will be limited to one (1) event per organization per year.

- Funding will be limited to 100% of food costs and shall not exceed \$10 per expected attendee.
- Preparation costs will not be considered.
- Funding will be limited to an amount such that the organization does not make a profit from the event.
- Those in attendance at the event will be required to pay a fee of at least three (3) dollars.

Organizations requesting funding for international or ethnic food must complete and submit along with their budget request, a detailed description of the event.

This description must include:

- A detailed description of the international or ethnic event
- The approximate date and location of the event.
- A detailed breakdown of food and preparation costs, admission costs, a summary of the profits and expenses from any previous events.
- The expected attendance.

***Lectures and Entertainment***

- Funding and honorariums for speakers will be allocated solely through the Committee on Lectures.
- Bands, comedians, disc jockeys, and other forms of entertainment will not be considered.
- Entertainment may be funded through the Senate Discretionary Account.

***Office Supplies***

Requests for office supplies for organizations with an on-campus, non-residence hall room office shall be considered according to the following:

|                       |                   |
|-----------------------|-------------------|
| 2 to 9 members        | \$20 per semester |
| 10 to 34 members      | \$30 per semester |
| 35 to 99 members      | \$40 per semester |
| More that 100 members | \$50 per semester |

Requests for office supplies for organizations that do not have an on-campus, non-residence hall room office shall be considered at one half (1/2) the above rates. Stationery will not be considered. Organizations asking for supplies above the suggested amount must have an on campus address and a detailed explanation for the additional request.

***Postage and Shipping***

*United States Mail*

- Reasonable requests will be considered.
- Organizations should include a membership list and membership breakdown of off-campus members and on-campus members.
- Postage shall not be paid to fund recruiting materials for Iowa State University or when organizations use postage to recruit students to ISU.
- Postage shall only be funded for communication with an organization's members and other organizations to plan an event.

*Bulk Mail*

Whenever the quantity of any single mailing qualifies for bulk mail rates, only the minimum bulk mail rates will be considered. A bulk mail permit is available through the University Mail Service.

*Freight*

Reasonable requests that further the purpose of the organization will be considered. Failure to submit an itemized list of things shipped shall be grounds for denial of funding. Air rates will not be considered unless they are less than ground rates.

***Electronic Mailing Lists***

The purchase of email lists from the University shall be considered if the organization can demonstrate sufficient cause for the list.

***Printing***

Printing requests will be considered up to the current rates for the ISU Copy Center-University Printing Service.

- Printing expenses for organizational phone books will not be considered.
- Typesetting costs will not be considered. Use of current computer labs is encouraged.
- Color copies will not be considered unless the student organization can demonstrate an essential need for them.

- Printings of greater than 8 ½ “ x 11”, 20 pound white paper, will only be considered on a case-by-case basis if the student organization can demonstrate an essential need for them.
- Groups may use their allotted printing quota for the purpose of color paper printing.

|                       |                          |
|-----------------------|--------------------------|
| 2 to 9 members        | 325 copies per semester  |
| 10 to 34 members      | 600 copies per semester  |
| 35 to 99 members      | 1200 copies per semester |
| More that 100 members | 2000 copies per semester |

***Professional Development***

Organizations must be classified as a GSB Funded Office to be eligible for professional development requests. Professional development requests shall be limited to \$1500 per professional employee per year.

***Publications***

Publications shall be funded on a subscription basis with the subscription price and quantity negotiated with the Finance Committee. Publications will be subject to the following funding guidelines:

- The published subscription rate is the maximum rate the Finance Committee will pay.
- The publication must be made available at five (5) or more locations on campus.
- Publications are allowed and encouraged to pursue funding from academic departments and from advertising.
- Publications that receive funding from academic departments or councils will not be considered pre-professional for Finance Committee purposes.
- Publications will be required to submit a budget to support the publication’s per copy cost. The Finance Committee will not have line-item discretion over the proposed budget.

***Rentals***

Reasonable rental costs for services or equipment not available on campus will be considered.

- Regardless of availability or condition, off-campus rental of equipment will not be considered for equipment available on campus.
- Organizations should use campus resources accessible through the Instructional Technology Center, Recreational Services, and the Memorial Union.
- Organizations may request the cost of rental facilities on campus for the purpose of storing GSB purchased equipment or capital expenses.

***Repairs***

Requests for funds to repair GSB funded equipment shall be considered.

### ***Salaries and Wages***

Salaries and wages shall be considered only for GSB funded offices and limited other organizations on a case-by-case basis. Organizations not classified as a GSB funded office shall require a 2/3 affirmative vote of the Finance Committee to receive salary or wage funding.

- Will only be funded through a specific contract approved by GSB and ISU Payroll
- Student employees will be funded at the minimum wage.
- GSB funded organizations shall not enter into an employment contract without prior approval of the specific contract by the GSB Senate.
- Students involved in extra-curricular activities do so based on their interest in the group's activities and success. Therefore, students will not be paid for involvement in these organizations.

### ***Sports Equipment***

Only protective equipment and club equipment that is used by all team members that is either too expensive or impractical for individual purchase by all team members and whose primary purpose is safety will be considered.

- Sports uniforms will not be considered.
- Perishable equipment that must be replaced regularly as it is used up or wears out will not be considered.
- Individual use equipment shall not be considered.
- The Finance Committee reserves the right to determine in which class a particular piece of equipment belongs.

## **What are considered finance priorities?**

### ***Finance Priorities***

The Government of the Student Body's priorities of funding programs and organizations for the Regular and Special Allocation processes for the 2006-2007 fiscal year shall be in the order stated:

1. Those that promote and support the University Mission.
2. Those that add to the educational experience of ISU students by encouraging learning outside of the classroom.
3. Those that encourage positive interaction between ISU students and the Ames community.
4. Those that further international or ethnic development and understanding at ISU.
5. Those that provide a service to ISU students in need.
6. Those that provide ISU students with recreational and competitive activities.

## **Revenue Line Item Rules**

### ***Dues***

All student organizations must calculate and are encouraged to assess at least ten (10) dollars in dues to each of its members. If the size of an organization cannot be confirmed, then the organization shall be considered to have a maximum of 20 members.

### ***Fundraising***

All student organizations are strongly encouraged to fundraise, in addition to collecting dues.

### ***Unspent GSB Funds***

Any GSB funds allocated to student organizations that are unspent at the end of the Fiscal Year will revert to GSB. Groups that fail to spend eighty percent (80%) of their previous fiscal year's GSB allocation will be ineligible for an increase in funding during the next fiscal year, unless this restriction is waived by a 2/3 affirmative vote of the Finance Committee.

## **General Terms and Information**

### ***Authority of Implementation***

The finance committee is empowered through the Constitution and Bylaws to act on behalf of the Senate on all financial matters, including the interpretation, application, and enforcement of this document. All references within this document to the Senate or the GSB give authority to the Finance Committee, as the sanctioned representative for financial affairs of the Legislative branch. The Finance Committee is empowered by the GSB Law to represent the Government in all appropriate financial proceedings, unless specifically prohibited or limited by GSB law. All actions of the Finance Committee are subject to review and/or modification by the Senate.

### ***Administrative Reports***

All applicable administrative reports must be filed by an organization with the GSB to be eligible for GSB funds.

### ***Budget Line Item***

All GSB funds must be spent according to the line items in the GSB approved budgets. Any fund not spent according to the line items in the GSB approved budget shall be considered unspent GSB funds unless line items are transferred according to Government Law.

### ***Categorization of Student Organization***

The Finance Committee shall determine which category a student organization should be placed in during a meeting of the Finance Committee. These categorizations shall be subject to review and/or modification by the Senate.

### ***Determination Date***

During consideration in the Regular or Special Allocations process, the GSB shall evaluate an organization based upon the organization's status as of the date of filing the budget packet for a particular allocations process. Upon filing a budget packet, no changes in status shall be considered during the allocations process.

### ***Duplication of Services***

Unless the request is for an event or a conference, a duplication of service will not be funded. In the event that it is either an event or conference, the transportation costs will be split between the organizations based upon the number of individuals attending the event or conference.

### ***Expense Breakdown***

All criteria expenses must be categorized on the standard budget form.

### ***Financial Records***

The Finance Committee and the Finance Director reserve the right to request a copy of all financial records, legal documents, and publicity materials of an organization that has received or is requesting funds. These requests must be fulfilled within five (5) class days or penalties will be incurred.

***Filing of Budget Packets***

Organizations must return the completed budget packet to the GSB office by the stated due date without incurring a late fee. This late fee will be assessed at a rate of ten (10) dollars per day. Budget packets will be accepted, with the appropriate late fee, until a date determined by the Finance Director.

***GSB Funded Offices***

GSB funded offices are professional offices partially or entirely supported through GSB funds. Organizations must be listed in the appropriate section of the Bylaws as a GSB Funded Office in order to be considered a GSB funded office. Membership numbers for the purpose of criteria expenditures do not apply to GSB Funded Offices and any reasonable request shall be considered.

***Membership***

At the discretion of either the Finance Director and/or the Finance Committee, the size of the group will be determined either through an accounting of dues collected and/or a request to review the number of members in the organizations list-serv.

***Printed and Electronic Materials***

All printed and electronic materials must include “Funded through GSB” or an acceptable equivalent phrase in a suitable size. The GSB reserves the right to request a copy of all printed or electronic materials from the organization.

***Regular Allocations Process***

The Regular Allocations process shall allocate monies to student groups for expenses incurred from July 1 to June 30 of the fiscal year. Requests are made in the spring semester prior to disbursement.

***Special Allocations Process***

The special Allocations process shall allocate monies to student groups for expenses incurred only from January 1 to June 30 of the fiscal year. Requests are made in the fall semester prior to disbursement.

***Exception Process***

No exceptions will be made regarding organizations who can and cannot receive funding according to this document at any time before, during, or after the funding process. However, all other sections of this document may be waived by an affirmative two-thirds vote by either the Finance Committee or the Senate.