

Macalester College Student Government Financial Code Approved by MCSG Legislative Body on February 26, 2019.

Article I: Scope of Financial Code

The Financial Code of the Macalester College Student Government (hereby known as MCSG) outlines the procedures for MCSG funding, general budgeting and accounting procedures, and financial guidelines for all Macalester College Student Organizations.

Section I: Relevant Terms

- I. Supporting Documentation: All purchases must be accompanied by supporting
- II. documentation, which includes an itemized receipt or invoice that summarize the amount, date, place, and items of purchase.
- III. Disbursement: Payment of funds by cash, check, direct deposit, or wire-transfer, as appropriate.
- IV. Organizations: A student organization officially recognized by MCSG.
- V. Executive Board: Comprised of the President, Vice President/Chair of the Student Services and Relations Committee (SSRC), Chair of the Financial Affairs Committee (FAC), Chair of the Academic Affairs Committee (AAC), Chair of the Student Organizations Committee (SOC), and Chair of the Program Board (PB).
- VI. Legislative Body: The Legislative Body of MCSG, comprised of class representatives, the MCSG Cabinet, and the Executive Board.
- VII. Records: List of organization accounts, approved budgets, receipts, programming and
- VIII. financial audits, as reflected in organization management platform (hereafter known as OrgSync). The FAC Chair and Advisor should keep a separate “Budget Tracking Total” spreadsheet to keep track of funds available for additional allocations throughout the year.
- IX. MCSG Accounts: MCSG has three accounts. The Operating Fund is used to fund most Org expenses that will not last three years or more. The Capital Fund is used to fund most MCSG assets that will last three years or more. The Reserve Fund is kept to be used as a contingency fund for operating uncertainties. At the end of the year, any leftover funds from the Operating and Capital funds (rollover) will be redistributed according to Article II, Section 1.3. Leftover funds from the Reserve Fund remain in the Reserve Fund.

Article II: The Funding Process

Section I: Funding of MCSG

- I. Each full-time enrolled student will be charged a Student Activity Fee of \$230.00 annually, paying \$130 in the Fall Semester and \$100 in the Spring Semester.
- II. The Student Activity Fee can be amended by a two-thirds majority vote of the MCSG Legislative Body (LB) and with the approval of the Board of Trustees.
- III. Ten dollars (\$10) of each fee paid by the students will be allocated to the Capital Fund in the Fall. Thirty-two dollars (\$32.00) of each fee paid by the students will be allocated into the Program Board Fund each Fall and Spring. Eighty-eight dollars (\$88) in the Fall and sixty-eight dollars (\$68) in the Spring will be allocated to the Operating Fund, to be allocated by the Financial Affairs Committee (FAC) of MCSG.
- IV. At the end of the fiscal year, the balance of all MCSG accounts, except those approved under the MCSG guidelines to remain in the accounts (the Capital Fund, the Program Board Fund, the Textbook Reserve Fund, and the Revenue Fund for Macalester First Aid and The Mac Weekly), is rolled over according to the following percentages:
 - A. 15% to the Program Board
 - B. 15% to the Capital Fund
 - C. 30% to the Operating Fund
 - D. 15% to the Travel Fund
 - E. 7% to the Student Lounge (The Loch)
 - F. 8% to the Textbook Reserve Program
 - G. 5% to Office of Student Leadership and Engagement for the SORC supplies
 - H. 5% to the Community Chest Fund

Section II: The Operating Fund, the Capital Fund, and the Reserve Fund

- I. The Operating Fund will be used for:
 - A. The expenses of programming events organized by student organizations, except for the items that are lined out in Section 4.
Reasonable assets necessary for the organization's operations such as copies, office supplies, publicity, decorations, etc.
Any other expenses approved by the LB
- II. The Operating Fund will not be used for:
 - A. Paying students for services to the student organizations.
 - B. Funding activities specifically supporting a particular political candidate or party, with the exception of advertising costs for on-campus speakers.
 - C. Supporting events where additional fees for admission are charged.
 - D. Funding donations in-kind to a charity. The Operating Fund may pay for on-campus events with a fundraising component, provided the events themselves provide a benefit for the Macalester Community and create an opportunity for student engagement.
- III. The Capital Fund will be used for:

- A. Assets necessary for the organization's operation whose useful life is three (3) years or more.
- IV. The Reserve Fund will be used for:
 - A. Emergency needs
 - B. Unanticipated expenses
 - C. Funding special one-time projects as determined by the Executive Board or LB

Section 3: Off the Top Expenses

- I. Before the FAC receives money to administer to student organizations, the student activity is distributed amongst certain off the top expenses. These include:
 - A. \$10,000 annually to the Textbook Reserve Fund; \$5000 in the Fall and \$5000 in the Spring
 - B. \$50,000 annually to the Lectures Coordination Board; \$25,000 in the Fall and \$25,000 in the Spring
 - C. \$10,000 annually to the Community Chest Fund; \$5,000 in the Fall and \$5,000 in the Spring
 - D. \$30,000 annually to the Travel Grant, \$15,000 in the Fall and \$15,000 in the Spring
 - E. \$2,000 annually to the Compostable Dishware Fund paid entirely in the Fall
 - F. \$2,040 annually for Kagin Security paid entirely in the Fall
 - G. \$5,000 annually for Placement Test Grants paid entirely in the Fall
- II. The Mac Weekly will receive its operating cost for its annual budget as an Off the Top Expense. The costs include:
 - A. \$13397.24 paid annually to printing cost
 - B. \$687 paid annually to website cost
- III. WMCN 91.7 will receive its operating fees for its annual budget as an Off the Top Expense. The costs include:
 - A. \$10,500 annually to Engineer Salary
 - B. \$420 annually to Spinitron Fees
 - C. \$3569 annually to insurance fees
 - D. \$189 annually to web hosting fees
 - E. \$250 annually to yearly supplies, including but not limited to aux cords, blank cds, cd cases.
 - F. \$150 annually to SESAC music licensing fee.

Section 4: Funding of MCSG Organizations

- I. Eligible organizations
 - A. Only organizations chartered by MCSG may request funds from the FAC through the budgeting and additional allocation process.
- II. Budgeting Timeline
 - A. Budgets for the academic year must be submitted in the spring semester prior to that academic year. Budget deadlines, requirements, and timeline will be determined by

the FAC Chair and Advisor at the start of the academic year, in consultation with the Student Organizations Committee (SOC) Chair and the SOC Advisor.

- B. All organizations requesting a budget for the coming year must attend a budgeting workshop session prior to submitting a budget. The FAC will not consider budgets submitted by organizations that have not attended a budgeting workshop session.
- C. Prior to uploading the budget to OrgSync, all organizations must meet with their FAC Liaisons to discuss the budget request. The FAC may not consider budgets submitted by organizations that have not met with an FAC Liaison.
- D. Budgets must be uploaded to OrgSync and received before the budgeting deadline.
- E. Before official budgeting process begins, designated FAC-org liaisons will conduct meetings with individual orgs, clarify questions around the request, ensure that the org is responsibly maintaining financial records, and offer assistance in the budgeting process.
- F. The Budget Committee (comprised of the FAC Chair, FAC Chair-Elect, and the FAC) will evaluate budget requests based on the following criteria:
 - 1. Whether the event falls within MCSG guidelines (see Section 4)
 - 2. How well the request aligns with the mission of the organization.
 - 3. Degree of positive reflection of the ideals, interests, and goals of Macalester College.
 - 4. Value added to campus
 - 5. Cost per student
 - 6. Whether the organization has been fiscally responsible and kept accurate records of revenues and expenditures on Orgsync
 - 7. Whether the request is in accordance with the Social Responsibility Committee (SRC) guidelines (e.g. sweatshop free items, fair wage hotels, etc.)
 - 8. Whether the request duplicates services already provided on campus by existing groups.
- G. Each organization must have a representative in a leadership position for the upcoming year present during FAC liaison meetings and at the Budgeting Workshop (i.e. not a graduating senior).
- H. Organizations requesting over \$4000 must give a brief presentation of their budget request to the LB. This must take place before the official Budget Committee meetings.
 - 1. Copies of these budgets will be made available to LB members within 48 hours prior to the meeting.
 - 2. If a representative is unable to attend the budget presentation to the LB, the organization may request that their FAC Liaison present on their behalf.
- I. After the Budget Committee has deliberated and determined the budget recommendations for all student organizations, they will notify the organization leaders of each group of their individual budget allocation.

- J. After final consideration by the FAC in collaboration with the SOC Chair, necessary budget cuts have been made, and voted on by the LB, the official budget proposal will be made public to the Macalester Community and sent to all organization leaders.
 - K. The FAC will submit the proposed budget no later than one month before the last meeting of the current year's LB.
 - L. Appeals must be heard and considered before the LB votes on the budget proposal.
- III. FlexiFund
- A. All organizations are given \$200 of FlexiFund per school year (\$100 per semester) which does not need to be requested in organization's annual budget.
 - B. Flexi can be used for any org-related expenses (including expenses for only org members) as long as they adhere to MCSG bylaws and college policy.
 - C. All organizations who have failed to keep accurate financial records of Flexi spending (checkbook and receipts) on Orgsync or who have not completed their audit process will have their FlexiFund cut by 50%.
 - D. If organizations use up the entire \$200 before the end of the year, it is not possible to request for more Flexi.
- IV. Allocating the Budget
- A. If, after reviewing all budgets, more funds have been requested than are available to allocate to student organizations as estimated by the FAC then the FAC will cut all budgets by the same percentage that is required to bridge the deficit.
 - B. All organizations who have failed to keep accurate financial records on Orgsync (checkbook and receipts) or who have not completed their audit process will have their allocated budgets cut by 50%.
- V. Appeals to the Budget Committee
- A. Any organization that wishes to appeal the decision of the MCSG Budget Committee may submit an appeal to the LB. Appeals must be submitted to the FAC Chair no later than the Friday before the LB Budget Appeal meeting.

Section 5: Budget Contents

- I. Budgets will be submitted and itemized not by individual purchases or breakdowns of each Event, but by the following categories:
 - A. Food
 - B. Clothing
 - C. Security
 - D. Honorarium (including travel and meal expenses, if applicable)
 - E. Fees (i.e. conference, film rights, etc.)
 - F. Printing
 - G. Publicity
 - H. Supplies & Accessories
 - I. Other (please specify)

II. Block Budgeting

- A. If an organization wants to use money allocated for one category for an expense in another, the FAC does not need to be notified. However if an organization wishes to use money from their operating fund for capital expenses or vice versa, they need to obtain the approval of the FAC.
- B. When an organization uses money originally allocated for one category to pay for an expense in another, it must still be for a reasonable org expense and must still adhere to Financial Code guidelines.

III. The FAC expects that organizations adhere to the following guidelines:

- A. Food costs should not exceed \$10 per person for food that adds an integral educational and/or substantial component to an event
- B. Full meals should only be requested if it plays an integral component in the event, the event is well-publicized and open to all, and lighter meals or snacks would significantly compromise the quality of the event.
- C. Food requests in excess of \$10 per person may be requested, but must be justified with details outlining the food that will be ordered, expected attendance, the significance of the food to the event, and the significance of the event to the activities and mission of the organization.
- D. Food requests in excess of \$10 per person must be approved by a majority vote of the LB.
- E. A maximum of \$5 per person for clothing related to the organization's mission and/or an event.
 - 1. Clothing can only be requested if it is essential to the working of the organization
 - 2. The \$5 per person can be exceeded if the clothing item is a uniform
 - 3. Clothing items need to be stored at Macalester and should stay with the organization annually.
- F. Funding should be used primarily for events that are open to the whole campus. FlexiFund can be used for events geared solely towards organization members.
- G. A maximum of \$15 per event for publicity costs, including poster runs, pamphlets, table tent posters.
- H. The FAC cannot approve any funds relating to transportation. These are handled by the Travel Fund.

IV. MCSG policy prohibits organizations from:

- A. Funding activities specifically supporting a particular political candidate or party, with the exception of advertising costs for on-campus speakers.
- B. Funding competitive athletic groups.
- C. Funding gifts or prizes to students; the FAC cannot pay students, and this is effectively a payment.
- D. Funding gift cards.
- E. Funding requests for bottled water.

- F. Supporting events where additional fees for admission are charged.
 - G. Funding donations in-kind to a charity. The FAC shall consider funding for on-campus events with a fundraising component, provided the events themselves are value-added for the Macalester Community and create an opportunity for student engagement. Fundraisers must be approved by the Associate Dean of Students, or their designee.
 - H. Funding purchases of dishware (i.e. paper plates, cups, silverware). All organizations should use the MCSG compostable dishware program for dishware needs by filling out the online dishware request form 24 business hours in advance of the event.
 - I. Funding outside consultants and/or advisors not related to a specific event or for an indeterminate amount of time.
- V. College prohibits organizations from purchasing alcohol, tobacco, or firearms.
 - VI. Overspending or mis-spending of funds will be taken into consideration in allocating future Budgets. Overspending or mis-spending of funds could lead to measures as deliberated by the FAC on a case-by-case basis.

Section 6: Additional Allocations

- I. Consideration
 - A. The FAC shall consider additional allocation requests throughout the year. Additional allocations must be requested at least 14 days in advance of the event.
 - B. Checkbook must be up to date for all expenses in order for the request to be considered.
 - C. Additional allocations will follow the block budgeting model.
- II. Approval
 - A. Requests of two-thousand dollars (\$2000) and under must be approved by a majority vote of the FAC.
 - B. Requests over two-thousand dollars (\$2000) must be approved by a majority vote of the LB. The FAC will make a recommendation to the LB to fund the full request, a partial amount, or no amount.
- III. Appeals
 - A. Student organizations may appeal FAC decisions to the full LB by contacting the MCSG President or FAC Chair at least forty-eight (48) hours after being notified of FAC decisions.
- IV. The FAC must present a list of expenditures at LB meetings no less than once a month. The following information must be presented to the LB:
 - A. Student organization name.
 - B. Date and time of event.
 - C. Event/capital description.
 - D. Purpose of the event/capital purchase.
 - E. FAC decision/recommendation and rationale for decision.

Section 7: Right to Allocated Funds

- I. Funds allocated to student organizations through the budgeting and additional allocation processes shall remain in each organization's account until the end of the fiscal year.
- II. Organizations are free to spend these funds in accordance with Macalester College and MCSG policies/guidelines.
- III. As per the block budgeting model, an organization is free to deviate from their original budget/additional allocation; however, the funds must still be used for reasonable org expenses and accountability measures as stipulated in Section 4 must be followed.
- IV. Student organizations who have excess funds they do not plan on using may relinquish these funds back to the FAC to be redistributed to other orgs.
 - A. The FAC may approach student organizations to request a reallocation back to the if available funds for additional allocations are inadequate and org leaders agree to relinquish funds back to the FAC.
 - B. These transfers must be recorded as withdrawals from the organization on Checkbook and recorded as deposits on the FAC Budget Tracking Totals spreadsheet.

Section 8: Accountability

- I. Within one week after an event, all receipts must be scanned, copied, or clearly photographed and uploaded to OrgSync on the org webpage's "Files" section.
- II. Checkbook
 - A. Organizations must maintain their financial records in checkbook on OrgSync to reflect their current account balance, no matter the funding source (FlexiFund, budget or additional allocation) and even when an organization's plans deviate from what was originally planned.
 - B. Financial records must be accurately entered into Checkbook within one week after an expense was made.
 - C. The FAC Bookkeeper will conduct ongoing reviews of Macalester's internal financial recordkeeping system to ensure that all expenses are accurately reflected on OrgSync.
 - D. Instances when the org fails to maintain records in a timely manner will be recorded by the FAC Bookkeeper in conjunction with the FAC Chair; this information will be passed to the FAC Advisor and considered in future budget and additional allocation requests.
 - E. Failure to maintain an up to date Checkbook will result in the following consequences:
 1. An inability to submit additional allocations requests until Checkbook is updated.
 2. A 50% budget cut if Checkbook is not updated when budget requests are submitted.
- III. Misuse of funds: If an organization misuses their allocated funds, their ability to use their budgets may be revoked. The following actions constitute a misuse of funds:
 - A. Violation of college policy, as defined in the Students rights handbook.

- B. Violation of MCSG Guidelines and Policy.
- C. Overspending of the organizations allocated budget.
- D. Repeated and systematic failure to maintain accurate financial records.
- E. Purchase of prohibited items as indicated by receipts which indicate an egregious misuse of funds;
 1. If such a misuse of funds is suspected, then the FAC/SOC Chair must freeze the accounts within 24-hours until they can convene.

IV. Consequences for a misuse of funds:

- A. In addition to potential disciplinary action by the established conduct process, all accounts will be immediately frozen until the scope of the misuse of funds is further investigated.
- B. In cases where the FAC suspects a misuse of funds, a meeting will be convened with the Associate Dean of Students, FAC Chair and the SOC Chair to determine the scope.
- C. After determining the scope of the violation, the case will be referred to the Judicial Council and Associate Dean of Students.
- D. If the misuse of funds can be attributed to one person or a specific group of people within the organization and does not constitute an org-wide transgression, then:
 1. The people in question cannot check out purchasing cards for a period of time determined by the Judicial Council.
 2. The committee may suggest probationary measures when checking out p-cards.
 3. The people in question will repay all misused funds.
 4. After a second violation, the people in question are barred from ever checking out a p-card in the name of any organization.
- E. If it is determined by the Hearing Committee that the misuse of funds implicates the entirety of the organization, then:
 1. The accounts will be frozen for a period of time determined by the Judicial Council.
 2. The org will be put on probation for a period of time as determined by the Judicial Council.
 3. The committee may request that the LB consider disbanding the organization according to the process stipulated by MCSG bylaws. iv. The FAC will consider the misuse of funds during the next budgeting cycle.

V. Appeal Process

- A. Whenever a misuse of funds is detected and an organization in question is not satisfied with the decision of the Judicial Council, an appeal may be made to the Legislative Body and the Legislative Body will make the final decision.