Internal Controls Program Resolution

Be it resolved that University at Buffalo Student Association Inc. adopt and implement the following financial policies as part of the SA’s internal control program.

1. Internal Controls Policy
2. Safeguarding Cash and Cash Equivalents Policy
3. Encumbrance and Expenditure Policy
4. Budget Policy
5. Reserve Funds and Long-term Planning Policy
6. Fundraising, Revenue and Rollover Policy
7. Contracts Policy
8. Capital Equipment and Disposal Policy
9. Inventory Policy
10. Ticketing and Merchandise Sales Policy

This resolution will take effect upon University approval of the Internal Control Program. Then, the existing Contracts policy will be replaced in its entirety and this resolution shall supersede the University at Buffalo Student Association Inc. Finance Handbook.
Internal Controls Policy

Policy Information
Date Established: 
Date Last Updated: 
Category: Student Association

Summary
This policy establishes a framework for a system of internal controls and communicates the Student Association’s internal control objectives.

Policy Statement
University at Buffalo Student Association Inc. (Student Association, SA) is committed to a strong system of internal controls focused on accountability and oversight of operations and reasonably assure SA:

- Meets its mission
- Promotes performance leading to effective accomplishment of objectives and goals
- Safeguards assets
- Provides accurate and reliable financial and other key data
- Promotes operational efficiency and economy
- Encourages adherence to applicable laws, regulations, policies, and practices

Best Practices
An effective system of internal controls is supported by best practices including, but not limited to:

- Segregation of Duties - To prevent the occurrence of undetected errors or fraud, responsibilities must be divided so that one individual does not control all aspects of a transaction.
- Safeguarding Assets - Assets and records must be kept secure at all times to prevent unauthorized access, loss or damage. Security of assets and records is essential for accurate operations.
- Safeguarding Confidential Information - Ensure the security and confidentiality of personal and private information, protect against any anticipated threats to its security or integrity, and guard against unauthorized access and use.
- Review and Approval - Review and approval of internal processes should be obtained from a knowledgeable and independent party.
- Timeliness - Make all efforts to meet prescribed deadlines and prioritize critical work to avoid fines and negative impacts on operational processes.
- Documentation - Provide evidence for transactions to support accuracy and consistency

Internal Control Program
The Student Association’s internal control program is a system of accountability and included all the plans and actions that assure reasonable control over SA’s operations. Control activities, which occur throughout the organization at all levels and function, help ensure that necessary actions are taken to address risk while achieving SA’s objectives. Internal controls are owned by the individual performing SA’s operations and every employee is responsible for ensuring that the program is effective in
achieving SA’s mission. Employee competence and professional integrity are essential components of a sound internal control program.

While internal controls themselves are owned by the employees responsible for the control, along with their managers or supervisors, the internal control program is supported at the highest levels of SA’s management. The SA Executive Board and Professional Staff provides guidance and the resources to maintain a successful program. The internal control program is enforced through thoughtful, risk-based assessments.

**Background**
The Student Association has adopted this policy in accordance with the State University of New York Student Activity Fee Programs – Mandatory, Fiscal and Accounting Procedures for, Document Number: 3900.

An effective internal control system provides reasonable assurance that the Student Association will achieve its mission. Reasonable assurance is a concept that recognizes the cost of internal controls should not exceed the benefits. Managers must use judgment and estimates to assess cost, benefit, and risk and develop controls that support achievement of department goals and adequately safeguard assets, provide reliable information, and meet compliance requirements.

**Applicability**
This policy applies to all Student Association entities.

**Definitions**

**Effective Control**
Management-directed-authorized and monitored performance, which includes periodically comparing actual with planned performance, and documenting these actions to provide reasonable assurance that organizational goals will be achieved.

**Internal control**
The integration of the activities, plans, attitudes, policies, and efforts of the people of a department working together to provide reasonable assurance that the organization will achieve its objectives and mission.

**Professional Integrity**
Demonstrate behaviors that show a commitment to consistent and willing adherence to guidelines and policies as well as to ethical conduct in support of the mission of the university.

**Reasonable Assurance**
Errors and other deviations are kept to a tolerable level; for example, in the normal course of their assigned duties, employees will prevent errors of improper acts and will detect and correct them within a reasonable time, thereby mitigating their detrimental effects.

**Risk**
A probability or threat of damage, injury, liability, loss or any other negative occurrence that is caused by external or internal vulnerabilities and that may be avoided through preemptive action.
Responsibility

Executive Board
- Promote a culture that embraces an effective internal control program.
- Support the internal control program by providing necessary resources.
- Champion the organization-wide effort to establish, implement, and maintain a system of internal controls and program of internal control review within their areas of responsibility. Collaborate with Professional Staff members as appropriate.
- From time to time or at the suggestion of a professional staff member review, evaluate and potential update the aspects of the internal control program and perform risk assessments for applicability to the Student Association’s strategic objectives.
- After working in conjunction with the Professional Staff to create any updates to SA’s internal control program, as the Internal Control Officers of the organization, the Executive Board has the responsibility of presenting the changes to both the Senate and the University’s Designee for approval.

Professional Staff
- Suggest to the Executive Board that aspects of the internal control program should be reviewed and potentially updated to ensure that the program remains applicable to the Student Association’s strategic objectives and stay up to date business practices.
- Work in-conjunction with the Executive Board to draft the updates to any for the internal control program before it is presented to the Senate and University’s Designee for approval.

Administrative Director
- In addition to the responsibilities of all professional staff, to perform an audit or review of the internal control program instituted by the Associate Administrative Director.

Associate Administrative Director
- Coordinate and communicate all aspects of the Student Association’s internal control program.
- Facilitate documenting an inventory of internal controls in the Student Association
- Develop and coordinate all policy related to the internal control program
- Implement an on-going training process for all employees
- Periodically review and report on the adequacy of internal controls for functions of SA that are not directly their area of responsibility.

Departmental Directors
- Create a control environment that encourages compliance with SA policies and procedures.
- Coordinate with the Administrative Director or Associate Administrative Director to periodically review and test the system of internal controls.
- Identify and implement appropriate corrective actions.

All Employees
- Fulfill the duties and responsibilities established in their performance program.
- Monitor their work to ensure it is done properly and that errors are corrected promptly and accurately.
- Follow Student Association and department policies and procedures.
- Safeguard resources against waste, loss, unauthorized use, and misappropriation.
- Report breakdowns in internal control systems to the Administrative Director or Associate Administrative Director.
Safeguarding Cash and Cash Equivalents Policy

Policy Information
Date Established:
Date Last Updated:
Category: Finance

University at Buffalo Student Association Inc. (Student Association or SA) is committed to strong controls over the collection of cash and cash equivalents. It is also SA’s objective to minimize handling cash and cash equivalents to reduce risk and prevent theft, loss, or misappropriation of funds. Whenever practical, acceptance of cash and checks should be avoided. SA’s preferred method for receiving payments, including checks, is via the Ticket Office. All checks received in the mail due to fundraising that have been approved for certain vendors will be processed through the Finance department.

Cash and cash equivalents are defined as currency, coin, checks, money orders and other negotiable instruments easily converted to cash. Cash and cash equivalents must be submitted to the Ticket Office or Finance Department and deposited with the Fiscal Agent or at an approved bank location promptly after collection to secure them against the possibility of loss or misappropriation. Access to cash or cash equivalents received by SA are limited to as few individuals as possible, including finance student staff, professional staff, and the SA Treasurer. All individuals who handle cash and cash equivalents are adequately bonded.

When the Student Association Finance Department does receive cash and cash equivalents, they must be deposited intact. Under no circumstance should cash disbursements or payments be made from undeposited cash or cash equivalents. Cash disbursements can only be made through the encumbrance process established by the Student Association.

Any SA club or department which desires to bring in funds must do so through the Ticket Office. All sales must be done according to any Ticket Office policies and procedures in addition to any SA policies and procedures.

Violation of This Policy
The following is the schedule of penalties that will be assessed to clubs who are found to have violated this policy so far as they collected money and given the money to the finance department intact.

1. The first offence will result in the club E-Board being required to attend an orientation style meeting with the Student Association Treasurer of their designee where all relevant financial policies will be reviewed with the club again. The club E-Board will be required to sign a statement of understanding as it pertains the topics covered by the meeting.

2. In the event of a second violation of this policy the club E-board will again be required to attend an orientation style meeting with the Student Association Treasurer or their designee where all relevant financial policies will be reviewed with the club again. The club E-Board will be required to sign a statement of understanding as it pertains the topics covered by the meeting. In addition, the club will be assessed a fine of 50% of the club’s deposit. This fine will be transferred from the club’s budget to Senate Supplemental Funding Line following all budget adjustment rules and procedures.

3. In the event of a third violation of this policy the club’s budget will be frozen and the club may be derecognized in accordance with the Club Derecognition Policy.
Clubs who are found to violate this policy so far as they collected money and is found to have not given the money to the finance department or the money was given not intact will face the following schedule of penalties.

1. The first offence will result in the club E-Board being required to attend an orientation style meeting with the Student Association Treasurer of their designee where all relevant financial policies will be reviewed with the club again. The club E-Board will be required to sign a statement of understanding as it pertains the topics covered by the meeting. In addition, the club will be assessed a fine of 50% of what the club’s intact deposit would have been. This fine will be transferred from the club’s budget to Senate Supplemental Funding Line following all budget adjustment rules and procedures.

2. In the event of a second violation of this policy the club’s budget will be frozen, and the club may be derecognized in accordance with the Club Derecognition Policy.

Employees who have been found to violate this policy will be reported to the Chief of Staff and President and will be reviewed under the corrective counseling procedures as outlined in the appropriate staff handbook.
Encumbrance and Expenditures Policy

Policy Information
Date Established:
Date Last Updated:
Category: Finance

Encumbrances
An encumbrance is a special type of accounting transaction that anticipates a future expenditure. Funds are encumbered, or set aside, in a particular budgetary account for a specific future purchase. Encumbrance is the first part of a three-part process for purchasing and paying for goods or services. An encumbrance system requires that proper authorization must be obtained before a purchase takes place and before a financial commitment occurs. An encumbrance approval system is proactive rather than reactive since the officers can approve, question, or if necessary, pre-empt a potential commitment of funds from taking place before a legal liability is incurred.

The Student Association uses an encumbrance system for purchasing. All expenditures must be encumbered for and approved by the following parties before a financial commitment occurs or before a purchase takes place:

1. A Finance Professional Staff Member or Treasurer
2. The SA Treasurer or designee
3. Either the SA President or Vice President
4. The Campus President or their Designee

Each of these parties are reviewing for different items. Level One is reviewing for:

1. That the encumbrance is coming out of the correct budget line
2. That there are enough funds available in the requested line for the expenditure
3. That all required documents are attached
4. That the encumbrance is in line with all SA and SUNY policies
5. That any directives given to the requestor have been followed
6. That, if applicable, any contracts have been submitted for review through the SA website
7. That, if applicable, ticket office forms have been submitted for merchandise and event ticket sales
8. That, if applicable, merchandise being ordered matches the sales form from the pre-sale
9. That there is a reasonable amount of time to allow for all approvals to be granted before the purchase needs to be made
10. That there is enough time for ordered items to arrive by the date the items are needed
11. That, if applicable, additional insurance has been requested
12. That other miscellaneous items have been covered and requested so that a purchase can be made
13. That there is storage for the appropriate items according to the Capital Equipment and Disposal Policy and the Inventory Policy

The Treasurer or designee is reviewing the requests for:

1. That all required documents are attached, reviewing them for compliance and consistency with the request
2. That the encumbrance is reasonable and is in line with all SA and SUNY policies and officer’s fiduciary obligations
3. That any directives given to the requestor or club have been followed
4. That the purchase is in line with the club’s purpose
5. That there is a reasonable amount of time to allow for all approvals to be granted before the purchase needs to be made

The President or Vice President are reviewing the request for:

1. That the encumbrance is reasonable and is in line with all SA and SUNY policies and officer’s fiduciary obligations
2. That any directives given to the requestor or club have been followed
3. That the purchase is in line with the club’s purpose
4. That there is a reasonable amount of time to allow for all approvals to be granted before the purchase needs to be made

The Campus President or their Designee reviews the requests for compliance with SUNY and University at Buffalo Policies and Procedures.

Proper documentation proving the expenditure relates to a club event and the club’s purpose is required to be attached to all requests.

Checks will not be processed without

1. All proper documentation being submitted
2. Available funds to cover the expense within the appropriate expense account
3. Submission and approval through the University at Buffalo Student Association Inc.’s encumbrance system

The SA Officers and Campus Designee have the right to deny an expenditure request if it does not meet the criteria listed. They are responsible for reviewing for accuracy and compliance.

**Club Budget Pauses**

During certain times of the fiscal year additional restrictions may be placed on budget line spending. Typically, this tends to happen during the summer and winter sessions. Club budgets will be paused pending they meet the criteria set by the Treasurer or Student Association Officers for their budgets to be opened and used. These criteria will be the same for all clubs. This is done to help limit overspending, to encourage clubs to spend the bulk of their budgets when the most students are on campus, and to allow one budget year to close and the next to open with as few outstanding expenditures that must be transferred from one budget to the next as possible. After the new budget opens on August 1, club budgets will remain paused until they have received the annual SA Treasurer-designated finance training.

**Tax Exempt**

SA is a tax-exempt entity. Therefore, no New York State sales tax is to be paid on purchases made by SA, or any state that recognizes our NYS Tax Exempt status. The person purchasing goods or services may request for SA to send a tax-exempt form to the vendor (unless the vendor already has one on file). SA will not pay any NYS sales tax, and in the case of a reimbursement, any NYS sales tax paid will not be reimbursed, excluding those not covered by our NYS Tax Exempt status.

**Advances**

Advances shall be limited to the reasonable amounts necessary to fulfill the stated purposes, with no other preferred payment option available. All expenses for the advance must be itemized. All advances shall be settled promptly after completion of the activity or event. Signing out an advanced check requires the club member or employee to provide a paid in full invoice or original signature on a contract within ten (10) business days after the event, and they may be required to provide proof of event attendance.
For clubs that request an advance check, failure to bring back the necessary paperwork after the event will result in the club’s budget being frozen, meaning all finance paperwork for the club will be paused until the advance has been satisfied. Turning in the proper documentation will satisfy the advance and finalize the process. Only after the advance has been satisfied will the club’s budget be unfrozen.

The Student Association will not authorize an advance payment if there are reasonable concerns that the vendor may not deliver the promised goods or services, or that SA may not be able to adequately enforce its rights as a practical matter after a payment is made.

Reimbursements
Reimbursements should only be used for purchasing goods or services that cannot be comparably purchased using a PO or one of SA’s accounts. Reimbursements must be encumbered for and approved by the above listed four parties before a financial commitment or a purchase occurs by the individual.

Honoraria
Neither SA nor any SA club may pay a current UB student, professor, or staff member an honorarium for any speech given at any SA or club conference, convention, meeting, event or like gathering.

Overspending Budget Lines
No club or SA department shall overspend their assigned budget line(s), which is defined as spending the budget line into the negative. No requests, POs, or vouchers will be processed that would make any line negative.

Trade Agreements and In-kind Agreements
While it is acknowledged that trade agreements are a common business practice in the private sector, the nature the Student Association is such that trade agreements are not permitted. Student Association assets are not to be used at individual discretion, for personal gain, or traded to outside parties in exchange for goods or services.

If there is an instance where SA and a vendor both wish to sell or sponsor goods, services, or activities mutually from each other then they must be completed as separate transactions. SA shall never enter into an in-kind agreement with any outside vendor. The proper procedure is for SA to purchase the desired goods or services from the vendor at no more than fair market value, and for SA to enter into a separate agreement to sell goods or services to that vendor for at least fair market value or to obtain a sponsorship from such vendor.

Exceptions to Pre-Approval of an Expense
The Student Association reserves the right to approve expenditures after the purchase has been made only when it pertains to one of following occurrences:

1. There is a safety issue or concern. Examples of this may include, but are not limited to, a club needing to change hotels due to health concerns, a vehicle breaking down and members needing to be transported somewhere safe, an expense critical to the health and safety of attendees of an event etcetera. All parties involved in the approval process will work together to process such expenditures and make sure everyone is safe and can make it back to campus safely.

2. Referees for competitive events which SA is responsible for paying directly and that are not assigned with enough time to complete the regular encumbrance process. Prior to the event, the club E-Board is responsible for:
   a. submitting a home game schedule to the SA Treasurer prior to the start of their season including:
i. expected number of referees at each game and
ii. pay rate per referee and
b. Submitting a request for funds through the SAFE system for each referee selecting “Unknown Referee” as the vendor.

The submitted information will be sent to the required signatories to be approved outside of the system, upon approval by the parties the contracts will be signed by the SA E-board and sent with the club to each event.

At each game it is the responsibility of the club E-Board to collect a fully completed and signed W9 and a referee contract signed by the referee. Within 2 business days the club must submit both completed documents to the SA Finance Department for payment processing. This exemption shall also include judges, umpires, and other officials, which SA is responsible for paying directly and that are not assigned with enough time to complete the regular encumbrance process.

3. The Student Association strives to complete all requests in a timely and efficient manner. In the event SA has made a documentable mistake within the process of an encumbrance that would have otherwise had enough time for processing, SA will do everything within their power to rectify the situation within the encumbrance system. If the situation cannot be solved within the encumbrance system, the signatories will meet to discuss the situation and options, if any, may allow the encumbrance to move forward.

4. As necessary to meet obligations in an otherwise validly approved contract.
5. As necessary to meet any of SA’s legal obligations.

Violation of This Policy

The following is the schedule of penalties that will be assessed to clubs who are found to have violated this policy.

1. The first offence will result in the club E-Board being required to attend an orientation style meeting with the Student Association Treasurer or their designee where all relevant financial policies will be reviewed with the club again. The club E-Board will be required to sign a statement of understanding as it pertains the topics covered by the meeting.

2. In the event of a second violation of this policy the club E-board will again be required to attend an orientation style meeting with the Student Association Treasurer or their designee where all relevant financial policies will be reviewed with the club again. The club E-Board will be required to sign a statement of understanding as it pertains the topics covered by the meeting. In addition, the club will be assessed a fine of 50% of the club’s expenditure. This fine will be transferred from the club’s budget to the Senate Supplemental Funding Line following all budget adjustment rules and procedures.

3. In the event of a third violation or subsequent violations of this policy the club’s budget will be frozen, and the club may be derecognized in accordance with the Club Derecognition Policy.

In the event a club incurs a legal obligation that would result in their budget line going into the negative, the club’s budget will be frozen, and the club may be derecognized in accordance with the Club Derecognition Policy.

Employees who have been found to violate this policy will be reported to the Chief of Staff and President and will be reviewed under corrective counseling procedures as outlined in the appropriate staff handbook.
Budget Policy

Policy Information

Date Established:

Date Last Updated:

Category: Finance

The Student Association prepares an annual budget according to the processes set forth in the SA By-Laws and SUNY policies. Every expenditure by SA or an SA recognized club is pursuant to an approved budgetary allocation. The budget must be balanced in accordance with SUNY Mandatory Student Activity Fee guidelines. Estimated revenues and estimated expenditures must be based on realistic projections.

SA uses a system of budgetary accounts to codify the budget. The breakdown can be found within SA’s chart of accounts and line descriptions. Each budget is for the fiscal year beginning on August 1 and ending on July 31 of the following year. Once the proposed budget has been prepared, it must be formally approved or adopted in accordance with the SA By-Laws, UB and SUNY policies.

Prior Year Budget Activity and the Effect it has on the Current Year’s Budget

Any encumbrances outstanding at the end of the fiscal year (July 31) will be voided prior to fiscal year end and entered into the new fiscal year’s budget. They may be voided prior to 7/31 if it is not reasonably possible for the check to be processed in the last check run of the fiscal year.

Club Budget Tier System

The Student Association, in its efforts to maintain consistency from year to year, categorizes clubs into tiers. Each tier has requirements that organizations must meet to be eligible for the funding sources that the tiers provide. Funds will be budgeted and disbursed based on approved viewpoint neutral policies and procedures. No club should expect their sole funding to come from the Student Activity Fee.

Tier I

Clubs who are assigned to this tier are generally new clubs and clubs who did not apply for a budget during the previous spring’s budgetary process.

1. Be a recognized SA club
2. Have completed 2 Club Meetings for the academic year
3. Have completed 1 Club Event for the academic year
4. Have at least 10 active undergraduate students

Clubs within this Tier may submit a request for supplemental funding for specific events they wish to create that fall within the purpose of their club. Supplemental funding for Tier I clubs is available through the Senate, SA Vice President, or their respective Council Coordinator, following all supplemental funding request policies and procedures for each fund.

Tier II

Clubs who are assigned to this tier have requested a budget and have been approved by the Senate to have a budget of $1.00 - $2,499. Clubs in this tier must complete the following requirements:

1. Be a recognized SA club
2. Have completed 2 Club Meetings for the academic year
3. Have completed 2 Club Event for the academic year
4. Have completed 1 SA Participation Event for the academic year
5. Have at least 15 active undergraduate students

Clubs within this Tier may request supplemental funding for specific events they wish to create that fall within the purpose of their club. Supplemental funding for Tier II clubs is available through the Senate or their respective Council Coordinator, following all supplemental funding request policies and procedures for each fund.

**Tier III**

Clubs who are assigned to this tier have requested a budget and have been approved by the Senate to have a budget of $2,500 - $9,999. Clubs in this tier must complete the following requirements:

1. Be a recognized SA Club
2. Have completed 3 Club Meetings for the academic year
3. Have completed 3 Club Events for the academic year
4. Have completed 2 SA Participation Events for the academic year
5. Have at least 25 active undergraduate students

Clubs within this Tier may request supplemental funding for specific events they wish to create that fall within the purpose of their club. Supplemental funding for Tier III clubs is available through the Senate or their respective Council Coordinator, following all supplemental funding request policies and procedures for each fund.

**Tier IV**

Clubs who are assigned to this tier have requested a budget and have been approved by the Senate to have a budget of $10,000 and above. Clubs in this tier must complete the following requirements:

1. Be a recognized SA Club
2. Have completed 4 Club Meetings for the academic year
3. Have completed 4 Club Events for the academic year
4. Have completed 3 SA Participation Events for the academic year
5. Have at least 30 active undergraduate students

Clubs within this Tier may request supplemental funding for specific events they wish to create that fall within the purpose of their club. Supplemental funding for Tier IV clubs is available through the Senate, following all supplemental funding request policies and procedures for each fund.

Clubs who do not meet the requirements for their respective Tier will, during the next budgeting process, be eligible for, at most, funding in the Tier that they did complete the requirements for.
Reserve Funds and Long-Term Planning Policy

Policy Information
Date Established:
Date Last Updated:
Category: Finance

Unallocated Reserve Funds
Unallocated reserve funds are funds retained by the Student Association from year to year above and beyond the approved budget. These funds are typically retained for unforeseen expenditures that may arise from year to year. The Student Association shall hold a minimum of five percent of the previous year’s expenditures in our unallocated reserve fund and no more than one year’s operating budget.

Long Term Planning
The Student Association may also establish designated reserve funds for specified long-term programs, projects, and expenditures. The same SUNY policies apply to allowable expenditures of long-term planning as with any Student Activity Fee expenditures. All long-term planning must be approved by the Campus President or their Designee and in general have a cap of ten (10) years. All long-term planning proposal(s) must be submitted to the Campus President or their Designee for approval.

For long-term planning to be approved by the Campus President or their Designee the following information must be included in the proposal:
1. The date range in which the plan is for
2. The specific dollar amount for the plan and if the plan is a multi-year plan, then the breakdown of the per year dollar amount.
3. The specific intention for the use of funds

Initial submission and any changes thereafter to any approved long-term plan must be reviewed and approved by the SA President, SA Treasurer, and the Campus President or their Designee.

How Reserve Funds and Long-Term Planning is accounted for in the Budget
Unallocated Reserve funds are not accounted for in the budget.

Long term planning will be accounted for each year of the approved plan. The revenue and expense lines will be budgeted according to the approved long-term plan.
Fundraising, Revenue, and Rollover Policy

Policy Information
Date Established:
Date Last Updated:
Category: Finance

Donations of Items
The acceptance of any donated physical goods (other than cash or cash equivalents) must be approved in writing by the SA Treasurer and either the SA President or Vice President, who may evaluate the cost of maintenance, upkeep, and storage of the item, along with any liability risks associated with the good. The SA Officers may decline to accept any physical good for any reason. Goods that are donated to SA or any SA club shall be deemed the property of SA and are not tax deductible. Donations of physical goods do not count as fundraising for a club.

Fundraising and Revenue
Revenue is new money that comes into a club’s account from a source outside of SA. This can be money collected through sales at the Ticket Office, charitable contributions, or other money deposited through the SA Finance Department according to the policies, minus any penalties. Clubs are allowed to fundraise revenue so long as they follow all policies and procedures to do so. Since the Student Association is a 501(c)3 and a Charitable Organization all club revenue plans must be reviewed and approved by the SA Finance Department before the plan’s implementation to make sure it follows all legal requirements. All revenue monies will count as fundraising for a club.

SA may deny a proposed fundraiser if the cost to SA for administering the fundraiser is not reasonable.

Clubs cannot collect cash.

Clubs can also receive money that will count as fundraising by working certain SA events as volunteer staff. The following funding sources do not count towards fundraising:

1. Supplemental funding allocations from Council Coordinators, the SA Senate, or the SA Vice President
2. Money that was never deposited
3. Co-Sponsorships from other club(s) to help pay for a joint event
4. Budget allocation granted to a club by the SA Senate

Rollover
For clubs that choose to fundraise whether by receiving revenue or by working as volunteers at SA events, the Student Association maintains a fundraising rollover system. Rollover is defined as fundraised money that a club has received in one fiscal year that if not spent and can be added to the following fiscal year for the club’s use provided requirements are met to do so. Rollover funds do not count as revenue in the current fiscal year’s budget and must be used within the fiscal year it is awarded to the club. To receive rollover, clubs must complete the annual re-registration process.

When calculating rollover, the following shall apply:
1. Only fundraised money will be calculated as rollover
2. Rollover will not exceed the amount of money that remains in a club line
Contracts Policy

Policy Information
Date Established:
Date Last Updated:
Category: Finance

Article I. Applicability
This Contracts Policy shall apply to University at Buffalo Student Association Inc. (sometimes hereafter referred to as “Student Association” or “SA”) and all clubs recognized by SA. As used in this Contracts Policy, the term “contract” shall be interpreted to include agreements of any nature and promises of any kind (whether or not the word contract appears), including but not limited to agreements that do not involve the exchange of money.

Article II. Signing Authority
1. Clubs may not enter into contracts or undertake legal obligations; only SA itself may enter into contracts
2. No one shall have a right to execute any contract on behalf of a club or undertake any legal obligation on behalf of a club by virtue of his/her position as an officer, member, advisor or coach of such club
3. A contract may be executed on behalf of SA only if such contract is executed by the SA Treasurer (or designee appointed by the Treasurer in writing) and either the SA President or the SA Vice President. No, SA Officer shall ever be required to approve any contract, and no term of this policy shall be construed to require approval of any contract.
4. Contracts must be reviewed by the Campus President or their Designee, when so required by applicable University policy(ies)
5. The encumbrance process must be followed with respect to any expenditure before SA may commit to such expenditure in a contract

Article III. Legal Compliance
No contract entered into by SA may violate, or cause anyone to violate, any applicable federal, state or local law or regulation, State University of New York at Buffalo policy, or SA policy.

Article IV. Reasonableness
All terms of each contract must be reasonable under the circumstances.

Article V. Standard Contract Forms
SA shall utilize, review from time to time, and modify as appropriate, standard form contracts to be used in various situations, including but not limited to the engagement of performing artists, venues and caterers. Use of SA’s standard forms is strongly preferred but not required, though the SA Officers may require any such form be used as a condition of their approval of any agreement.

Article VI. Vendor-Supplied Contracts
Vendor-supplied contracts must not violate any of the rules of this policy. Further, the following rules shall apply to vendor-supplied contracts:
Section 6.01  All Essential Terms
The contract must contain all the terms that are essential components of the deal (for example, and without limitation, a full description of goods or services, price, length of performance, and dates and times for performance or delivery).

Section 6.02  Deposits
Contracts may not require SA to pay advanced deposits or (full or partial) pre-payments.

Section 6.03  Breach
Each contract entered into by SA should state that in the event the other party alleges a breach by SA, SA must be provided with written notice of the alleged breach and a reasonable opportunity to cure the alleged breach.

Section 6.04  Notice
If the contract contains a provision providing for notice, it should state that notice will be sent to the SA Office. If the contract provides for email notice, the contract may allow such notice to be sent to the official UB email address of a SA Officer or member of SA’s professional staff.

Section 6.05  Governing Law and Venue
Each contract entered into by SA should state that it is governed by the laws of the State of New York and should designate that the sole and exclusive proper venue for any dispute arising out of the contract shall be located in Erie County, New York.

Section 6.06  Confidentiality Clauses
No contract may contain any confidentiality provision that would require SA to violate any law.

Section 6.07  UB is NOT a party
Except for a contract between SA and UB, the contract must not state or imply that UB is a party to the contract. SA (rather than the club) should be listed as the party to the contract.

Section 6.08  No Unreasonable Limitations on Vendor’s Liability
The contract must not contain unreasonable limitations on the vendor’s liability for negligence, breach of contract or other wrongful act or omission.

Section 6.09  Indemnification Clauses
The contract must not contain any unreasonable indemnification clause binding upon SA. The SA Officers may require the Vendor to indemnify, hold harmless and/or defend SA, the club, the State University of New York at Buffalo, and their respective officers, directors, employees, and agents.

Section 6.10  Insurance
As a condition of approval, the SA Officers may insist that the contract require the vendor to provide a certificate of insurance in a reasonable amount listing as additional insureds: SA, the State University of New York at Buffalo, and any other affiliates of either of them as the SA Officers deem reasonably appropriate under the circumstances.

Section 6.11  Term
Except for Professional Staff employment contracts, contracts and fiscal commitments may not be for a term longer than one (1) year, unless SA shall have the right to terminate the contract (without penalty) upon reasonable notice to the other party at any time thereafter.
Article VII. Method and Dates of Submission
Clubs should submit contracts for review via the following website: www.sa.buffalo.edu/form/contracts. Contracts should be submitted for review at least two (2) weeks prior to the applicable event/activity, whenever reasonably possible.

Article VIII. Exceptions
Subject to Article III and IV of this Contracts Policy, the SA Officers may grant exceptions to Sections 6.02, 6.03, 6.04 and 6.05 of this Contracts Policy if (1) required as a condition of a contract with a league or other recognizing body for clubs engaged in intercollegiate competitions, or (2) necessary or prudent in order to obtain goods or services at a better value (either lower price or higher quality) than would otherwise be available, after reasonable consideration of all risks. The exceptions allowed under this paragraph may be granted by the authorized SA Officers’ execution of the applicable contract. The Officers shall never be required to grant an exception.

Article IX. Role of Professional Staff in Review Process
All proposed contracts shall first be reviewed by the SA Administrative Director (or another Professional staff member designated by the Administrative Director), Associate Administrative Director or Entertainment Coordinator prior to execution. All proposed contracts may be submitted for attorney review at the reasonable discretion of any SA Officer or any member of the Professional Staff. If a member of the Professional Staff has concerns about a proposed contract, they shall communicate those concerns to the SA Officers, and if a member of the Professional Staff has concerns that a proposed contract presents significant risk to the Student Association, they may communicate those concerns to the Campus President or their Designee, as well.

Article X. Waiver of Liability Agreements
The SA Officers may require participants in SA and club activities to sign waiver of liability agreements as a requirement of participation in such activity(ies). SA has developed, and may modify from time to time as appropriate, standard form(s) to be used for such purpose.

Article XI. Club collaboration with Outside Entities
In order for an SA club to collaborate with an outside organization on an event the responsibility of each party must be set forth in a contract, subject to SA’s contract policy and any other applicable policies.
Capital Equipment and Disposal Policy

Policy Information
Date Established:
Date Last Updated:
Category: Finance

Ownership of Assets
All property purchased with University at Buffalo Student Association Inc (Student Association or SA). funds is the property of SA. All equipment and supplies purchased by SA for any SA club is the property of University at Buffalo Student Association Inc. on discretionary loan for use of the club. The SA Treasurer may direct any equipment or supplies to be reclaimed by SA if the club dissolves or fails to utilize equipment or supplies in a proper and justifiable manner.

Capital Equipment
Any physical goods that the Student Association or a recognized SA club wishes to buy that is over $1,000 will be considered capital equipment. For each piece of capital equipment SA in conjunction with their fiscal agent will determine the depreciable life and method of depreciation of each individual item and properly record items into the fixed asset schedule. The Student Association will use the straight-line method of depreciation and will consider the useful life of the purchased item. SA’s fiscal agent will maintain the fixed asset schedule that summarized the opening and ending balances for each property and equipment account and the related accumulation depreciation account and any transaction in each account for each fiscal year.

All assets are expected to be used for the originally stated purpose made during the encumbrance process. All clubs or departments must be able to present all assets to SA upon request and explain how they are used. Any use of the vehicles owned by SA will be governed by the approved SA Vehicle Policy. In addition, all fixed assets must have storage location on campus that is approved by the Student Association.

Fixed Asset Inventory
In conjunction with SA’s fiscal agent the Fixed Asset Inventory Questionnaire will be completed by the Student Association annually. The purpose of this questionnaire is to ensure that fixed assets are still in existence at their proper location, to determine the condition of fixed assets and to determine if any changes have occurred so that the accounting records can be updated. During the questionnaire period clubs will be asked to account and present the fixed assets that are assigned for their individual club’s use.

The following instances should be reported to SA’s fiscal agent annually with the fixed asset inventory questionnaire if not at the time of change:
1. Physical changes made to the asset including enhancements, additions, or replacement of parts or components
2. Movement to a new location
3. Disposal, sale, or retirement of an item

Disposal of Capital Equipment
Any club or department that wants to dispose of or change the purpose of an asset must get approval by the SA Treasurer to do so. Unauthorized sale, transfer, donation, or disposal of inventory items is strictly prohibited.
In some instances, fixed assets will no longer be useful, or normal wear and tear, obsolescence, and breakage will occur. When this arises the club or department will, when possible, bring the item to the SA office to be reviewed and start the process for repair or disposal. If the asset cannot be brought to the office a club should schedule an appointment with the Finance Department, so they can travel to the asset for the review. Assets can be sold for fair market value, traded for a replacement, donated, or disposed of with the approval of the SA Treasurer and either the President or Vice President.

SA will report the condition of the asset as soon as possible to the fiscal agent to adjust the accounting records accordingly. If the asset is being traded for or replaced with a new asset, the retirement of the old asset must be recorded on the Capital Equipment Requisition that is used for the replacement asset. Also, upon disposal of an item, SA will report the disposal to the fiscal agent to update the fixed asset schedule and if necessary, re-compute depreciation through the date of the disposal.

If the asset is stolen, damaged, or lost the responsible club officer or staff member must report the incident to the SA Finance Department. If one of these instances happens to a fixed asset entrusted to a staff member or club the SA Officers may take actions to ensure proper future control over any additional fixed assets that may be in their possession.

The SA Treasurer must determine that the disposal was properly authorized, complied with any restrictions on disposal (for example, holding period, prior approval by donor or funding source, or restrictions on use of proceeds), and was not an asset pledged on existing debt.

**Violation of This Policy**

The following is the schedule of penalties that will be assessed to clubs who are found to have violated this policy which shall include:

1. Misuse of asset
2. Failure to comply with a fixed asset inventory questionnaire request
3. Disposal of an asset without SA permission
4. Loss or damage to an asset

A club violation report will be completed and submitted to the SA Treasurer. Once a club violation report has been submitted the SA Officers may ask additional staff members to advise them on the situation and help gather additional information. The club will be invited to submit a written statement pertaining to the topic of the violation. The club officers and the email we have on file for them according to the SA website at the time will be who is notified of all proceedings. The club will be given 7 days to respond to any request for additional information that Officers believe is pertinent to deciding the matter. The final decision on penalties will be made by a majority of the SA Officers, of which one must be the SA Treasurer. These penalties may include:

1. The club not being allowed to purchase more Capital Equipment for a determined amount of time
2. The Treasurer asking for all Capital Equipment in the possession of the club being turned into the Student Association
3. The club’s budget may be frozen, and the club may be derecognized in accordance with the Club Derecognition Policy.

Once the review has been completed the club will be informed of the outcome and penalty(s) that will be assessed if they have been found to violate this policy.

Clubs who wish to appeal this decision based upon alleged procedural error or violation of law can appeal to the Student Association Senate. Any club who wished to appeal must do so within 30 days of the decision being given to them in writing.
Employees who have been found to violate this policy will be reported to the Chief of Staff and President and will be reviewed under corrective counseling procedures as outlined in the appropriate staff handbook.
Policy Information
Date Established:
Date Last Updated:

Category:
All property purchased with University at Buffalo Student Association Inc. (Student Association or SA) funds is the property of SA. All equipment and supplies purchased by any SA club is the property of the University at Buffalo Student Association Inc., on discretionary loan to the club. The SA Treasurer may direct any equipment or supplies to be reclaimed by SA if the club dissolves or fails to utilize equipment or supplies in a proper and justifiable manner.

Any physical items that are bought with Student Activity fee money that are under the capital equipment threshold will fall into two categories and will help SA determine if the item should be bought and what procedures that need to be followed to do so.

The first category is physical items that are "consumable" or meant for specific one-time events or activities. These items are goods that the club is buying to run an activity or event and once that event is over are intended not to be used again and do not need storage after the event. These items will be allowed based on cost and what the actual activity or event is. There are certain instances where a club may buy items for one event, such as tools needed to build a project for a competition, that although are bought for one event will be treated as multi-year items or goods.

The second category is physical items that are meant for multi-year and multi-event and activities, and the individual cost of the currently approved semesterly SA student activity fee. These items are goods that are bought with the intention that they will be used repeatedly for more than one academic year. Multi-year goods are required to have a storage area that is approved by SA. These items will be inventoried by annually. Clubs will be contacted to complete this inventory each year in April. The clubs will then again review the inventory SA each fall semester before the item(s) start to be used for the academic year.

At no time will SA buy goods that are meant for an entity outside of SA and its recognized clubs. Items purchased are only intended for the use by SA or its recognized clubs. SA will not purchase anything for outside entities, University Departments, or items for personal use.

In some instances, multi-year items will be no longer useful or normal wear and tear, obsolescence, and breakage will happen. When this arises the club or department should when possible, bring the item to the SA office to be reviewed and start the process for repair or disposal. If the asset cannot be brought to the office a club should schedule an appointment with the Finance Department can go to the multi-year item for the review. Multi-year items can be sold for fair market value, traded for a replacement, donated, or disposed of with the approval of the SA Treasurer and either the President or Vice President.

If a club or department wish to dispose of a multi-year item, they must contact SA start the process of disposal or replacement.

Violation of This Policy
The following is the schedule of penalties that will be assessed to clubs who are found to have violated this policy which shall include:

1. Misuse of multi-year items
2. Failure to comply with a multi-year inventory request  
3. Disposal of a multi-year item without making SA’s permission  
4. Loss or damage to a multi-year item

A club violation report will be completed and submitted to the SA Treasurer. Once a club violation report has been submitted the SA Officers may ask additional staff members to advise them on the situation and help gather additional information. The club will be invited to submit a written statement pertaining to the topic of the violation. The club officers and the email we have on file for them according to the SA website at the time will be who is notified of all proceedings. The club will be given 7 days to respond to any request for additional information. The final decision on penalties will be made by a majority of the SA Officers, of which one must be the SA Treasurer. These penalties may include:

1. The club not being allowed to purchase more equipment be it for an event or multi-year use for a determined amount of time  
2. The Treasurer asking for all multi-year equipment in the possession of the club being turned into the Student Association  
3. The club’s budget may be frozen, and the club may be derecognized in accordance with the Club Derecognition Policy.

Once the review has been completed the club will be informed of the outcome and penalty(s) that will be assessed if they have been found to violate this policy.

Clubs who wish to appeal this decision based on alleged procedural error or violation of law can appeal to the Student Association Senate. Any club who wished to appeal must do so within 30 days of the decision being given to them in writing.

Employees who have been found to violate this policy will be reported to the Chief of Staff and President and will be reviewed under corrective counseling procedures as outlined in the appropriate staff handbook.
Ticketing and Merchandise Sales Policy

Policy Information

Date Established:

Date Last Updated:

Category: Finance

All events that the Student Association (SA) provides tickets are supported and subsidized through funding received by the collection of the undergraduate mandatory student activity fees. This policy is written to ensure that these fees are utilized to the best of our ability, and tickets are made available to as many undergraduate students as possible. Any student or patron may be denied access to, or removed from, any event or activity sponsored in whole or in part by SA without refund if they have violated Student Association, University at Buffalo, or SA’s Ticketing Agent’s policies rules and/or regulations.

All Sales, including but not limited to, event tickets, merchandise, or bake sales must follow SA’s approved ticket policies and procedures and must be done through the Ticket Office. In very limited instances sales cannot go through the Ticket Office such as usage of venues that have an exclusive agreement with another ticketing vendor such as the Center for the Arts and Alumni Arena or a contractual obligation requires the use of another system, SA must approve the details of these instances in advance of any ticket sales. Upon completion of these approved sales a reconciliation needs to be completed and sent to the SA Finance Department including all ticketing sales data and revenue due to the Student Association.

Clubs and SA Departments cannot collect funds using peer to peer transactions or mobile payment services, including but not limited to Venmo, Square, Zelle, and Google Pay, or any type of service that requires that it be linked to an individual’s bank account which is not and cannot be approved by SA or the University and would therefore be in violation of SA, UB and SUNY Policies.

Clubs and SA Departments cannot gamble, bet, host games of chance or do raffles.

Clubs or SA Departments cannot collect cash.

Clubs or Departments of the Student Association who wish to set up a sale for tickets or merchandise, through the Ticket Office, must complete the appropriate ticket office form to gain approval of the sale and for the sale to further be set up with the ticket office. The ticket office charges a transaction fee on the sale of all tickets or merchandise.

For admission to events or activities the following ticket sale rules shall apply:

1. The ticket price for UB undergraduate students must be lower than all other patron types.
2. For all ticket sales, or give aways, the total number of non-undergraduate tickets should not exceed 10% of the total tickets available for sale for the event or activity.
3. Non-undergraduate tickets should not be subsidized by mandatory activity fee money.
4. Undergraduate UB students will only be allowed to purchase or reserve one ticket at the undergraduate rate for any SA event or activity.
5. If the event or activity allows for guest tickets an undergraduate student may buy only one additional guest ticket at the stated guest ticket rate.
6. Students must be present with their UB ID to pick up purchased merchandise or physical tickets.
7. The number of scheduled patron price changes shall be limited to 3 patron/ticket types allowed on a form will be limited to 8.
8. No “Flash Sales” reduction in prices after tickets are sold.
9. Comp Tickets will be processed through the Ticket Office and will be limited to:
   a. Club E-Board Members, with a maximum of 4
   b. Performers, Speakers, SA, UB, Volunteers, Vendors, and Staff who are actively working the event.
   A comp ticket list should be provided with the ticket form submission. The list may be updated and reapproved after the initial event approval.
10. A method of ticket verification should be in use at the door. This can be accomplished easiest by using the available scanners from the Ticket Office.

Clubs may wish to sell merchandise or apparel as a means of fundraising. Certain procedures must be followed, or the sale of such merchandise could be subject to collection and remittance of sales tax. New York State Sales Tax regulations regarding fundraisers for exempt organizations state that if goods are sold in a shop or store environment for an indefinite period of time and are on perpetual display, sale of the merchandise is considered taxable. There are also certain items that a club may wish to sell that are subject to collection and remittance of sales tax regardless of sale location. The following rules shall apply to the sale of all merchandise or goods:
1. All merchandise must be done on a pre-sale basis and will be distributed by the ticket office.
   a. The Club or Department will set a distribution window with SA and the Ticket Office that will not exceed 30 days in length.
2. All sales must follow the Student Association and University at Buffalo’s branding policies.
3. Clubs who wish to sell items for their members to keep after use, such as jerseys or uniforms, must complete pre-sales of the items through the ticket office.
4. All bake sales must be set up as merchandise sales.
5. There is an option for merchandise be mailed directly to the purchaser. The department or club will need to work with the Finance Department for the expense of such shipping to be paid for from their budget line. The estimated shipping cost for non-undergraduate patrons will be charged to the purchaser at checkout.
6. Sales of merchandise or goods shall not be approved for a period that exceeds six months.
7. No merchandise may be put on display at the Ticket Office.

The Student Association maintains the following authority as it pertains to any ticket office sale held by its departments or recognized clubs with or without notice to the department or club:
1. Set-up ticket or merchandise sales on behalf of a club or department
2. Place any ticket or merchandise sale on hold, which has been set-up by a club or department
3. Cancel a ticket or merchandise sale, which has been set-up by a club or department
4. Adjust, in writing, any ticket or merchandise sale, which has been set-up by a club or department

Receiving Funds from Sales
Funds will only be transferred to SA after the closing of the sale. The sale start and end date are set by the club or department when they complete the appropriate ticket office form. The transfer of the funds must go through several steps and departments before the money will be available for use. The ticket office only transfers funds once a week and all individuals are encouraged to end sales at least 10 business days prior to the date that the funds need to be encumbered keeping in mind the additional encumbrance timeline.
Refunds
Tickets for SA events or activities are non-refundable; however, refunds may be issued for any sale due to cancellation or unavailability. Refunds must be processed within 30 days of the original transaction.

Chargebacks
Credit/Debit card chargebacks will be deducted from the appropriate club or departmental account.

Abandoned Merchandise
All merchandise or goods that were not retrieved by the purchaser during the ticket office distribution window will be returned to the Student Association office. The Student Association will only retain these items for 10 days after the close of the distribution window set with the ticket office. After that it will be considered abandoned. Once it has been deemed abandoned SA may dispose of the abandoned merchandise.

Violation of this Policy
The following is the schedule of penalties that will be assessed to clubs who are found to have violated this policy.
1. The first offence will result in the club E-Board being required to attend an orientation style meeting with the Student Association Treasurer of their designee where all relevant financial policies will be reviewed with the club again. The club E-Board will be required to sign a statement of understanding as it pertains the topics covered by the meeting.
2. In the event of a second violation of this policy the club E-board will again be required to attend an orientation style meeting with the Student Association Treasurer or their designee where all relevant financial policies will be reviewed with the club again. The club E-Board will be required to sign a statement of understanding as it pertains the topics covered by the meeting. In addition, the club will be assessed a fine of 50% of the club’s expenditure. This fine will be transferred from the club’s budget to the Senate Supplemental Funding Line following all budget adjustment rules and procedures.
3. In the event of a third violation or subsequent violations of this policy the club’s budget will be frozen, and the club may be derecognized in accordance with the Club Derecognition Policy.

Commented [AJ1]: Will or may?