There are many elements that contribute to sustainable, successful organizations. Strong financial management, combined with adequate resources, are essential elements that can go a long way toward achieving your organization’s goals. To emphasize the importance of strong financial controls and maintenance of records, the University, along with CUSG and GSG, has set the following requirements and best practices related to student organization finances. The Primary Student Officer/President, Financial Officer/Treasurer and Advisor will be asked to acknowledge that they have read and understand these requirements and best practices during the recognition/rerecognition process.

**REQUIREMENTS:**

- Recognized Student Organizations are required to maintain updated/current contact information for the Primary Student Officer/President and Financial Officer/Treasurer as well as the Advisor on their OrgSync profile. This contact information is used to communicate important events, requirements, opportunities, etc.

- Financial officers/Treasurer’s must view an online financial management presentation and answer a few questions (must get 80% correct). This required training will cover general accounting concepts, important information about keeping records, and other critical business information regarding contracts, travel, serving food on campus, fundraising and solicitation, etc.

- Recognized Student Organizations are required to maintain current information regarding off-campus financial accounts including the name of the financial institution, location, type of account and signers on the account(s) as part of their organization’s OrgSync profile. Additionally monthly bank statements (redacted to exclude account numbers) should be made available to officers, members and advisors. This requirement can be fulfilled by either uploading the monthly bank statements to OrgSync or providing, in OrgSync, the information to officers, members, and advisors on how they can access the financial information for the organization.

- The name on the bank account cannot be affiliated with the University (i.e. Clemson University Organization Name) or use the Clemson University Federal Tax Exempt ID number. Instructions on obtaining an EIN Tax number for banking purposes can be found at the following link: [http://www.irs.gov/pub/irs-pdf/iss4.pdf](http://www.irs.gov/pub/irs-pdf/iss4.pdf)

- Student Affairs, Undergraduate/Graduate Student Government, or the University’s Internal Auditing department may request an audit of student organizations’ financial management
The audit will focus on the organization’s compliance with making their financial records accessible to officers, members, and advisors.

- Consequences of non-compliance with the above requirements will result in the offending student organization losing all recognition privileges including but not limited to: space reservations, advertising on campus, seeking funding from USG/GSG, attending Tiger Prowl involvement events. Etc.

**Officers’ Responsibilities: Checks and Balances**

Your organization is responsible for its own finances and financial records. The University will provide guidance, if needed, but the responsibility rests with the officers of the student organization. In order to maintain good financial control, it is necessary for more than one person to hold responsibility for financial transactions.

**Advisor’s Responsibilities**

Advisor responsibilities regarding organizational finances include the following:

- Be knowledgeable of organization’s finances and financial procedures as well as the University’s policies and procedures;
- Review monthly banking statements with the Primary Student Officer/President and Financial Officer/Treasurer on a regular basis;
- Challenge students to make budget and expenditure decisions that best reflect the mission and purpose of their organization; and
- Hold financial officers as well as the membership of the organization accountable for proactive and sound financial management.

**Guidelines for Off-campus Bank Accounts for Student Organizations**

Because the University does not offer on-campus bank accounts for student organizations, it’s important for each student organization to establish financial controls to limit the risk of mismanagement of organization funds. The University recommends that organizations adopt the following measures to insure good financial management and practice for off-campus banking.

- **Monthly Reconciliation of Bank Statements**
  The Financial Officer/Treasurer should maintain expenditure and deposit records in order to allow for a monthly comparison (reconciliation) to the bank statement (in some cases this is an online process with your bank). Document and resolve all differences.

- **Formal Financial Report**
  Depending on the complexity of the student organization, the Financial Officer/Treasurer should make no less than one formal report each semester to the other officers and members of the organization. The report should be reviewed and approved by the organization’s members.

- **Double endorsement of expenses**
  requiring two signatures on checks adds an additional control which may help prevent check purchases being made without the consent of a second student organization officer.

- **Name of the organization’s Primary Student Officer/President on ATM/Debit Cards**
  Having the name of the Primary Student Officer/President on the organization’s ATM/Debit Card and only allowing one card for your organization allows for better accountability of the expenditure of your organization’s funds.
• **Documentation for ATM and Debit Card Transactions**
   Student organizations should limit the use of ATM and debit cards since they rarely provide the paper trail that is helpful in accounting. The use of an ATM to withdraw cash to purchase supplies should also be discouraged since mis-management of organization funds may occur more easily. Subsequent officers may also find it difficult to understand organization expenses without paid invoices, itemized receipts and other appropriate paperwork. ATM and debit cards can be used for any legitimate organizational purposes including purchasing on-line merchandise or to provide a deposit for a service. It is important for those using the ATM/Debit card to turn in itemized receipts and other appropriate paperwork for proof of items/services purchased.

• **Separate financial duties**
   The Financial Officer/Treasurer should not be the primary purchasing officer or have access to an ATM or check card. If so, another person needs to reconcile the bank statements to ensure an appropriate system of checks and balances for financial transactions and reconciliation.

• **Keep records public to Officers, Members and Advisors**
   Purposeful mismanagement of funds is difficult to conceal when financial records are made public or readily available to the student organization's officers, members and advisors. Public records allow organization representatives to question all expenses, which helps ensure generally accepted use of the organization's resources and protects against misuse of funds.

• **Define consequences for misuse of funds**
   It is important to address misuse of funds (i.e. embezzlement) in your organization's Constitution and By-laws. Some items to include:
   - Definitions
   - Methods for monitoring bank accounts
   - Consequences for violating policies
   By doing so, the student organization states its intentions to be a good steward of organization funds. This acts as a deterrent and leaves no ambiguity regarding the consequences associated with misuse of funds. The point is to deter the activity and outline a course of action in the rare event misuse of funds occurs.

• **Have officers remove personal information from bank accounts and change online banking passwords during officer transitions**
   When an officer is no longer associated with the student organization (due to graduation or any other reason) be sure to communicate with the bank and have their personal information removed from any accounts. Transferring account status to a current organization officer ensures a smooth transition for the organization. Additionally, it is very important for security purposes to change the organization’s online banking passwords as part of the officer transition process.

• **Student Organization Tax Filing Requirements**
   Student organizations are viewed as legally distinct from Clemson University and must independently comply with federal and state tax laws, including various filing requirements.