

SERVICES AND ACTIVITIES FEES
A Spending Guide for Advisers, Staff, and Students

Washington State University

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Introduction

Each year, the Services and Activities Fee Committee proposes and the Board of Regents approves program priorities and corresponding budget levels for University organizations funded by services and activities fees (S&A fees). The University collects these fees from students at registration and allocates the funds to budgets either as direct allocations from the Board of Regents or indirectly through other organizations. (See RCW 28B.15.041, 28B.15.044, and 28B.15.045.)

In either case, University personnel are responsible for spending the money in an acceptable and appropriate manner, following state of Washington and Washington State University guidelines.

This document provides an overview of the more important rules that apply to S&A fee expenditures.

General Rules For Spending

There are two major points to remember when spending S&A fees:

- S&A fees are collected from students for the express purpose of funding nonacademic student activities and programs.
- S&A fees are considered to be public monies of the state of Washington. As such, each purchase from an organization's account must be allowable, authorized, recorded, and appropriately used.

It is not difficult to comply with University and state requirements if the following guidelines are followed:

- An organization is to discuss a purchase with the expenditure authority *prior* to buying the item or service. He or she can describe what is allowable and appropriate or indicate a University office for resolution of questions. See the University's *Business Policies and Procedures Manual (BPPM)* section 70.02.
- Individual students may not unilaterally make purchases. *A student may not make a purchase with personal money and seek reimbursement without prior approval.*
- The proper paperwork, signed in advance, is the vehicle for the purchase.
- All University paperwork must be completed and signed by the expenditure authority *before* the purchase can occur.
- Contracts that require in the expenditure of S&A fee monies must be signed by a University official with delegated authority. See *BPPM* 10.10.

General Rules For Spending (cont.)

- Purchases supported by fees must conform to the organization's approved objectives and expenditure plan.
- All expenditures of state of Washington money, including S&A fee money, must be recorded on University forms which are retained for a specified period by the organization's officers. (See "Recordkeeping" on page 9.) An auditor should be able to determine exactly how the organization spent its allocation.

Proper stewardship of the organization's allocated share of S&A fee monies enhances future chances of continued funding by the S&A Fee Committee and the Board of Regents.

Management of S&A Fee Monies

Refer to the following guidelines regarding management of an organization's allocation. For additional questions regarding any aspect of managing S&A fee monies, contact the responsible administrative office, e.g., Business Services/Controller's Office, Office of Purchasing Services, and the Office of Internal Audit.

The guidelines in this document include frequent references to the University's *Business Policies and Procedures Manual (BPPM)*. Access the *BPPM* online at:

<http://www.wsu.edu/~forms/manuals.html>

AUTHORIZING EXPENDITURES

Prior Approval

The expenditure authority must authorize each expenditure from an organization's account in writing *before the purchase*. Usually the expenditure authority shows approval by signing the appropriate University form, e.g., Interdepartmental Requisition and Invoice (IRI), Departmental Requisition.

Expenditure Authority

If the organization is affiliated with the adviser's department, expenditure authorization comes from the adviser's department chair. If the organization is unrelated to the adviser's employing department, expenditure authorization comes from a University administrator who oversees the organization. See *BPPM* 70.02 to find out how expenditure authority is delegated.

General Approval Criteria

The expenditure authority may approve an expense if:

- The item is an allowable and legal purchase. The Office of Purchasing Services is available to answer questions. (See *BPPM 70.03.*)
- There is sufficient money allocated to support the expense.
- Purchase of the item conforms to the group's approved objectives and expenditure plan. The group's objectives and expenditures plan should clearly promote and conform to the University's mission and goals.
- The purchase is reasonable and prudent.
- The purchase does not directly or indirectly result in personal material benefit to any individual.

PURCHASING AND SPENDING

Purchases from University Departments

To purchase goods or services from a University department, the expenditure authority submits an Interdepartmental Requisition and Invoice (IRI) form to the vendor department. (See *BPPM 70.05.*) Some larger University vendor departments use other methods to process purchases. For example, an organization purchases items from Central Stores by accessing the Central Stores Ordering website at:

<https://webapps.wsu.edu/ais/centralstores/default.aspx>

Purchases from Non-University Vendors

The University provides several methods for making purchases from non-University vendors.

- The organization may use a Departmental Requisition form for any purchase. (See *BPPM 70.10.*)
- To make a purchase of less than \$3500, the organization may use a Department Order form (see *BPPM 70.07.*)

NOTE: In order to make a purchase using a Departmental Requisition or a Department Order, the vendor must accept a WSU Purchase Order. As such, the WSU purchaser should initially verify that the vendor accepts a Purchase Order.

Purchases from Non-University Vendors (cont.)

- To make a purchase of less than \$3500, the organization may use a purchasing card (see *BPPM 70.08*). In order to use a purchasing card, the purchaser must complete training and follow the procedures in *BPPM 70.08*.

Refer to *BPPM 70.01* for a more comprehensive orientation to University purchasing methods.

Competitive Bidding Requirements

Purchases over \$3500 in value are subject to competitive bidding. If Purchasing believes a better price will result, purchases under \$3500 may be bid. Purchases exceeding \$49,000 must be processed as sealed bids. (See *BPPM 70.13*.)

Printing

Most University printing jobs must be done by University Publishing. Some jobs originating at non-Pullman WSU locations may be exceptions to this requirement. (See *BPPM 80.05*.)

Artists, Performers, and Speakers

At WSU Pullman, student organizations must contact the Office of Student Involvement and Leadership Development in CUB 320 at least 30 days in advance of any planned event involving an artist or performer. The Office of Student Involvement and Leadership Development provides the appropriate forms and instructions.

At WSU Tri-Cities, student organizations must contact the Office of Student Affairs and the Office of Finance and Administration at least 30 days in advance of any planned event involving an artist or performer.

At other WSU locations, student organizations must contact the campus student services office well in advance of such an event.

To hire a speaker, organizations must follow the procedures included in *BPPM 95.25*.

Only delegated WSU officials may sign a WSU contract for the University. (See *BPPM 10.10* and *10.11*.)

Event/Entertainment Ticket Sales

Organizations may use S&A Fee money to purchase discounted blocks of tickets to events or entertainment events (e.g., concert tickets, ski lift tickets, theater tickets) to be resold to students. The discounted tickets must be sold to WSU students only. Tickets may be sold to faculty, staff, or non-WSU persons at the full retail event price.

Event/Entertainment Ticket Sales (cont.)

Tickets must be safeguarded in the same way as cash per the *BPPM* cash handling policies. (See *BPPM* 30.53.)

Be as accurate as possible estimating the number of tickets to purchase. Unsold tickets remain an expense of the organization.

Proceeds of the sales must be deposited as a recovery of expenditure into the account from which the tickets were purchased. Deposits must be made timely in accordance with *BPPM* cash handling policies. (See *BPPM* 30.53.)

Travel

An organization must complete and authorize a Travel Authority (TA) before student or employee departure. (See *BPPM* 95.05.)

Student travel, with minor exceptions, is handled the same as staff and faculty travel. See *BPPM* Chapter 95 for travel information. Refer to *BPPM* 95.13 for details regarding student travel.

Salaries and Wages

An organization may use monies for wages if the group has specifically itemized such expenses in the allocation request and received approval from the S&A Fee Committee.

Food

The expenditure authority may authorize the purchase of food in the following situations:

- Meals for a student who is on official travel status in accordance with University travel regulations. (See *BPPM* 95.13.)
- Meals or light refreshments for an approved event where food is served hosted by the organization.
- Meals for a lecturer or entertainer if food costs are specified in the contract as part of the payment for the performance.
- Meals for no more than three students and an advisor who take a speaker/entertainer dining out if the students are involved in the program organization.
- Banquet meals for students receiving awards at an award banquet.
- Banquet meals for banquet guest speakers.
- Banquet meals for individuals required to attend a banquet or who are directly involved in the banquet program.

Food (cont.)

- Light refreshments for consumption at approved student programs in conformance with *BPPM 70.31*. Light refreshments include nonalcoholic beverages and edible items commonly served between meals, e.g., coffee, soft drinks, doughnuts, sweet rolls, fruit, cheese. (*BPPM 70.31*)
- Meals for meetings in conformance with *BPPM 70.31*.

The cost of restaurant meals may not exceed rate limits specified in *BPPM 95.19*.

FUNDRAISING EVENTS AND DONATIONS

Managing Proceeds from an Event

If one WSU organization conducts an event using S&A fee monies and a second WSU organization wishes to provide support for the event from their S&A fee money, the second organization may transfer a portion of their S&A fee money via revenue transfer to the conducting organization. Any remaining balances from the event stay with the conducting organization. Such an arrangement is usually termed a co-sponsorship.

If an event, such as a car wash or bake sale, generates revenue, those proceeds go into the conducting organization's account. Usually, accounting for these types of fund raising events is done with an RSO (registered student organization) account and does not involve S&A fee money.

If an approved S&A fee funded event generates revenue, the revenue should be deposited into the S&A fee account.

NOTE: Regarding co-sponsorships, the expenditure plans and annual budget (where applicable) of larger (umbrella) organizations must include planned expenditures on behalf of subsidiary groups. The subsidiary groups must be approved WSU organizations.

Donations from Outside Entities

If an outside entity donates or otherwise provides money to be used for an event, the conducting organization must deposit the donated money into a separate 17A or 17C account. Contact the Controller's Office to determine which type of account should be used. If it is determined that a 17A account is appropriate, the deposit must be processed through the WSU Foundation.

This donated money may only be used to support the event. It may be spent for goods, services, and other costs of the event. (See *BPPM 70.18* regarding RSO 17C accounts. See *BPPM 70.33* regarding discretionary 17A accounts.)

Donations from Outside Entities (cont.)

If a separate account is not available, the organization may have the outside entity make the purchase and donate the purchased item or service directly to the organization.

S&A fee monies may not be commingled with other types of funds.

Decorations

An organization may use S&A fee monies to purchase decorations for a banquet, dance, or other approved event, as long as the cost of the decorations is reasonable and the decorations are appropriate for the event.

Door Prizes

An organization may purchase and give away door prizes if the organization charges an entry fee and indicates on all promotional materials that door prizes will be awarded. If an entry fee is not charged, the organization may award door prizes if the value of each prize does not exceed nominal monetary value, i.e., \$50.

Individuals who coordinate or assist with an event are not eligible to receive door prizes provided at the event. A member of the sponsoring organization may be eligible to win a door prize if he or she did not coordinate or assist with the event arrangements. The sponsoring organization, with the approval of the adviser, determines such eligibility.

Tracking Fundraising Event Entry Fees

Most organizations use numbered tickets to track monies paid to participate in or to enter fundraising events. The organization records the beginning and ending ticket numbers in a log. The receipts from the event should match the number of tickets sold. The organization must retain the log and any unsold tickets for audit purposes.

Giveaways

Purchasing flowers or cakes to be given away on special occasions, e.g., funerals and birthdays, is prohibited.

Awards

An organization *may* give away awards such as engraved plaques, trophy cups, and monogrammed clothing if the following criteria are met:

- The award must be reasonable under the circumstances and should not have more than nominal monetary value (less than \$200), and
- The award must be presented for some level of participation or achievement.

ACCOUNTING AND RECORDKEEPING

Each organization is responsible for tracking organization accounts. One tracking option is to create a spreadsheet and keep it updated with expenditures, allocations, and revenues. Another option is to use the filing method described in *BPPM* 30.06. Organization personnel are to regularly monitor the status of the organization's account by reconciling the spreadsheet or file folders with the online Account Balances/Detail Application. (See *BPPM* 30.07.)

Overspending

The organization *must not* overspend S&A fee accounts. The organization must carefully monitor expenditures and allocations. If an overdraft should occur, the organization is to follow the procedures in *BPPM* 30.21.

Commingling and Combining Funds

The organization *must not* commingle S&A fee monies with other types of funds. The Controller's Office sets up special accounts for S&A fees. (See *BPPM* 30.05.)

External Accounts at Non-WSU Banks

Organizations may *not* establish external accounts with commercial banks. All University groups must keep their funds in University accounts.

Retaining Records

Regarding records retention responsibilities, organizations are to refer to the All-University Records Retention Schedule in *BPPM* 90.01. This retention schedule lists required minimum retention periods for University records. Contact the Director of Procedures, Records, and Forms with questions about records retention.

PURCHASED PROPERTY AND EQUIPMENT

Purchased property and equipment belong to WSU and the state of Washington. Equipment costing more than \$5000 and certain "small and attractive" items costing less than \$5000 are inventoried by the Controller's Office.

The Property Inventory Section sends out an inventory tag for each inventoried equipment item. (See *BPPM* 20.50.) Organizations may inventory and track other items of lesser value by using the Departmental Inventory System. (See *BPPM* 20.51.)

The University does not loan out equipment for personal use. Under certain circumstances, organizations may rent equipment. (See *BPPM* 20.35, 20.37, and 20.40.)

Disposing of Equipment

The organization may sell or give purchased property or equipment to another University department or to Surplus Stores. The organization may not give or sell equipment to a private individual or a non-WSU organization.

Surplus Stores handles all off-campus disposals for the University. Organizations must record the movement and disposal of equipment on Inventory Control Report forms and Surplus Property Report forms. (See *BPPM* 20.50, 20.76, and 20.80.)

Unused Supplies

The organization is responsible for storing any unused supplies in a secure location for use the following year.

FOLLOWING THE RULES

S&A fee monies are to be spent in accordance with approved budget requests. When an organization submits its next request for S&A fees, the S&A Fee Committee considers how the last allocation was managed and spent. A well-documented history of prudent expenditures improves the organization's chances for continued funding.

University personnel who manage and spend S&A fee monies are obligated to follow relevant WSU policies. Personnel should note that University disciplinary processes apply to breaches of University policies. In addition, any breaches of University policies could jeopardize an organization's continued funding from S&A fees.

The records of all University organizations are subject to audit by the University's Internal Auditor and state auditors. (See *BPPM* 30.12.)