

RSO Fiscal Management: Funding (AY 2021- 2022)

Hello and welcome to part one of Student Involvement's Fiscal Management training. In this presentation we are going to answer the question: How will your RSO pay for its activities?

First, let us begin with a common misconception. Some students mistakenly believe that completing the process to become an RSO automatically gives them money, money, money, MONEY to pay for their activities. Unfortunately, this is not the case. All RSO budgets start out with a zero balance. In order to obtain funding for your RSO activities, you will need to apply for it from the Student Funding Board, or SFB.

To apply for SFB money, an RSO must be in good standing. This means that your RSO president and treasurer have completed all of the required trainings, and your RSO has no current debt with Student Involvement, or any campus partners or off-campus vendors. Furthermore, the amount of SFB funding that an RSO can apply for during the academic year is determined by their tier level.

What can SFB funding be used for? The Student Funding Board allocates money towards many types of expenses, including catering as well as food and beverages; police services or security at your events; event services and facility rental fees; honorariums for guest speakers; travel to conferences, leadership programs, and competitions; payments to performers, musicians, and DJs; and, student event supplies. Please refer to the SFB webpage for a more complete list or simply contact the Student Funding Board at sfb@gmu.edu to ask them if the good or service that you need to purchase can be funded with SFB money.

What can't SFB funding be used for? Although SFB funding can be used to purchase many things, there are a few restrictions to its use. First, SFB funding can only be spent on the event or purpose, for which it was originally allocated. If your RSO needs to change the date, purpose, or amount of its SFB funding allocation, then you should contact the Student Funding Board no later than two weeks prior to your event in order to request approval. Second, all events must be free and open to the entire Mason community. Events that are off-campus will be considered carefully by the Student Funding Board and must be within 25 miles of a Mason campus and accessible via public transportation. Of course, travel funding is the exception in this case. Third, SFB funding cannot be allocated for giveaway items or non-disposable, permanent items, and finally all large items must have a permanent on-campus storage space under departmental supervision. Written consent from the department, who has agreed to store the item on behalf of your RSO, is required. Please refer to the SFB webpage for more information on tier level amounts, collaborative funding, travel funding limits, and instructions on the SFB application process and its deadlines.

So the next question you might have: Is SFB really the only funding source available to RSOs? Well, the answer to that question is a very clear and concise, "maybe."

Some RSOs may have a second funding source available to pay for their activities. It is called self-generated revenue, or SGR, and it is the money that RSOs raise from collecting membership dues, charging admission to their events, seeking out donations and sponsorships from on or off-campus vendors, and through fundraising. If in the current or previous fiscal years, your RSO raised money and deposited it into its RSO account at the Cashiers office, then your RSO may have self-generated revenue to use.

So you may now be asking yourself, “How will I know if my RSO has SGR?” If you log into Mason360 and go to the “Group Section” on the left you should find an arrow next to “Money.” When you click on the arrow, a drop-down menu appears. Select your RSO “Accounting Book” from the menu. Now you are looking at your RSO budget. If your RSO has a current SGR balance, it will be listed under the “Balance” column of the “Group Funds” row. If you scroll down past the top of the Accounting Book, you may also review your RSO transactions. If your RSO has a current SGR balance in its RSO account, it is welcome to use it as an additional funding source.

It is important to stress, however, that like SFB funding SGR must be spent in adherence to Mason policies and procedures. This means that it cannot be spent on improper expenditures, such as gifts, gift cards, alcohol, charitable donations, or personal items. University-approved vendors must be used for certain types of purchases, such as catering, promotional items, t-shirt screen-printing or embroidery, and printing. It also means that SGR must be spent via one of the university approved spending methods --- in other words, through purchase orders, reimbursements, on-campus charging, or JV transfers. Unfortunately, the money cannot simply be withdrawn from your RSO account as you would from an ATM if you were taking money out of a personal bank account. This is because once the money was deposited into your Mason RSO account it became the property of the university as well as the Commonwealth of Virginia since Mason is a public university. As state funds, its use is subject to public scrutiny and, therefore, must comply with state and university fiscal policies and procedures.

So now you may be thinking: “That is not fair! We raised the money ourselves. Why do we have to comply with all of these rules and restrictions?!” And we agree with you and are excited to announce: We recently received permission to allow RSOs to set up off-campus bank accounts for their SGR!

What does this mean for your RSO? Well, if your RSO collects self-generated revenue, it will no longer be required to deposit that money into its Mason RSO account. Instead, you will be able to open an off-campus bank account for your SGR. The advantages of off-campus bank accounts for RSO SGR are many, but some of the more significant benefits are:

- Less restrictions. Purchases paid for with off-campus SGR will not be limited by Mason policies such as the restriction against buying gift cards or greeting cards, the requirement that you could only use university-approved caterers and vendors for your event, and that you had to stay within state meal per diem rates.
- Greater Ease of use. No prior authorization or university budget paperwork needs to be requested or completed to use your off-campus SGR. Your RSO will be able to withdraw money directly from its off-campus bank account to make purchases.
- No waiting time. RSOs will not have to wait for purchase orders to be created or reimbursements to be processed in order to use its off-campus SGR.

We are currently revising university policy to reflect this change, and we are working on guidance to assist your RSO in applying for a tax ID number, which you will need in order to open up a bank account in the name of your RSO. We expect to send out more information on this exciting change over the summer! Please note that this change does not affect Student Funding Board allocations. SFB funding will still need to be applied for and used through your Mason RSO account, adhering to all university policies and procedures.

Wow! Since that was a lot of information to absorb, let us quickly recap the possible funding sources for RSO activities. First, we have the Student Funding Board. All RSOs, who are in good standing --- in other words, those which have completed their trainings and are not in debt --- may apply in advance for an SFB allocation to pay for their expenses. The money allocated by the Student Funding Board must be

spent in adherence to both SFB and Mason policies and procedures. Second, we have on-campus self-generated revenue. This is the money that an RSO raised in the past and deposited into their Mason RSO account at the Cashiers office. Because this money sits within a university account, it must be spent in adherence to Mason policies and procedures. Finally, we have the most recent funding source: off-campus SGR. In order to distinguish between the two types of self-generated revenue that we will soon have, we will be referring to the money that RSOs will raise in the future and deposit into off-campus bank accounts as off-campus SGR. Since off-campus SGR will be held and managed by RSOs in accounts unaffiliated with the University, this money will not be under Mason control and, therefore, can be spent according to their RSO budget policies and procedures within compliance to state and federal laws, of course.

This concludes part one of the Fiscal Management training.