Financial Records- Subordinate to the Constitution and By-Laws

A. SGA must have the opportunity to receive credit for the funding it oversees on campus. The Officers designated to oversee Finance and Public Relations should work together to ensure that this happens.

B. Student Government must have a logical and easily understood system to account for its budgets. The responsibility of maintaining the SGA financial records in such a manner falls upon either the Officer so designated by the SGA Constitution, or the Officer so designated by the President if the Constitutionally designated office is vacant or ceases to exist. The guidelines in the Financial Accounting Policies and Procedures, below, spell out the manner in which such records are to be kept.

C. The financial records of the SGA shall be made available at all times and to all persons in the SGA Office and the most current records for the current year shall be available at all Congress meetings.

D. Financial records must be maintained for seven (7) years in the SGA offices, after which time they shall be archived in the same manner as other SGA records.

Financial Accounting Policies and Procedures

A. The President of SGA and the Vice-President of Finance of SGA (or other Constitutionally designated financial Officer) shall undergo at least one hour of training on the University accounting system in effect during their term (currently the Banner system, if possible). This training may be arranged through the Student Activities Office. This system is not difficult to learn and the knowledge gained will serve the Executive Branch in understanding where and how SGA funds are disbursed and in keeping the SGA budgets properly. Additionally, the Officers may be able to enter spending requests into the system directly, without going through the Activities Office secretaries, reducing the amount of time and effort involved in fulfilling spending bills.

B. Congress must approve an Annual Operating Budget prior to the expenditure of any SGA funds by students. The Executive Branch prior to the second regularly scheduled meeting of Congress in the fall semester will develop the Annual Budget. This budget will take the total budgeted dollars of SGA as given by the University Administration, and divide into categories such as Supplies and Advertising in amounts that the Executive Branch feels are appropriate and justifiable for each category. The format of the budget shall be to list the Account Name, Account Number (from the
C. University accounting system. Dollars Budgeted this year, Dollars Budgeted last year, and the Change from last year to the current year’s requested funding. This operating budget will be submitted to Congress according to the Constitution, for its discussion, amending, and the required vote of approval. See the attached exhibit 1 as an example.

D. Once Congress approves the budget, the Executive Branch is authorized to make expenditures from any Office Supply and Advertising budgets without further Congressional action. A PRO Card (Purchasing Credit Card) is available to the SGA Officers in the Activities Office that can be used for minor expenses like office supplies.

E. Expenditures from accounts other than Office Supplies or Advertising, which exceed $100, require a spending resolution passing a vote in the SGA Congress. The Executive Branch is authorized to make proper and necessary expenditures from other accounts that are less than this limit without the approval of Congress.

F. The Executive Branch is responsible for fulfilling all spending legislation passed by Congress. However, the Congress must understand that some legislation requires close coordination and consultation with the University Administration. Any legislation that cannot be fulfilled due to University Administrators shall not be held against the Officers of SGA as a breach of their duties.

G. Any dollars budgeted to be directly paid to an individual (such as a student or employee of SGA; including Stipends of Officers and Wages of Secretaries), must be authorized by an agent of the University Administration that is not a member of SGA, in order to ensure compliance with Federal, State, and Local laws.

H. A General Ledger shall be maintained by the constitutionally appointed Executive Officer, or by the designee of the President of SGA should such Office become vacant or non-existent. The General Ledger of SGA shall consist of six (6) columns which shall be titled: Date, Authorization to Spend (Bill# or Person’s Name), Person or organization actually spending or receiving the funds, Account Charged, Expense Amount, and Remaining Balance. At the top of each page on the first line under these columns shall be written “Balance Forward” and the present total balance in the SGA budget shall be written in the sixth column. On the first page of the fiscal year this number would be the budget total as provided by the University. As expenses are recorded on subsequent lines, the columns shall be filled out with appropriate information and the dollar amount of the expense recorded in the fifth column. The expense amount in the fifth column shall be deducted from the Remaining Balance in the sixth column of the line above and the new balance shall be recorded in the sixth column of the current expense line. This is similar to how a student would keep their checkbook balanced and is called a declining balance ledger. See the attached exhibit 2.
I. as an example.

J. An Account Ledger shall be maintained for each expense account authorized by Congress. It shall consist of exactly the same format as the General Ledger. It shall include any budget codes assigned by the University, including the overall SGA account number and any other pertinent designations, which aid in reconciling the SGA budget with University accounting reports. The Account Ledger shall contain only the budget and expense items for a single account as it appears in the SGA budget. See the attached exhibit 3 as an example.

K. The designated financial officer shall maintain a summary Budget. Such a summary budget lists the named accounts and their University designated code in the first column, total budgeted dollar amounts as authorized by Congress in column two, the total expenditures to-date in that account in column three, and the Remaining Balance for that account in column four. At the bottom of the page the columns should be totaled to show the total budget, total spent to-date, and the remaining balance. The advantage of such a summary budget is that it should offer a one-page view of the activity in all accounts. See exhibit 4 for an example Summary Budget.

L. This system shall be updated within two weeks. Anyone looking at the financial statements of SGA under this system will be able to tell at a glance how much money remains in each account, in the total budget, where all funding has gone, and on what authority monies were spent.

M. This system may be maintained by a commonly available computerized spreadsheet and printed out (which is recommended), or by hand, using a standard accounting form such as National Brand Analysis Pad sheets by Avery Dennison, which are readily available in office-supply stores and the University Bookstore, and which work within the guidelines specified above. The utility of a modern computerized spreadsheet makes maintaining this system possible from regular input on just one page, the General Ledger.

N. The Constitutionally designated financial Officer shall reconcile the SGA budget with the budget records the University keeps for its own use on a monthly basis. These reports are available in the Student Activities Office on the first Monday of each accounting month. Each newly elected or designated Financial Officer of SGA shall, upon taking office or at the start of the Fall semester, audit the previous SGA Administration’s budget and reconcile the location and availability of any funds not spent from the prior year’s budget. The University designated official in charge of the SGA budget may and should help in this reconciliation. The designated SGA Financial Officer will sign this audit and reconciliation report and file it in the SGA Budget Binder as the last page of the previous year’s budget records. The information gained in this process shall be presented to Congress at the first regularly scheduled Congress meeting of September each year. Such information will include, but not necessarily be limited to; the degree of compliance with good
O. record-keeping of the previous Administration, as outlined in this document, the SGA budget balance at the end of the previous year, the status of the balance from the previous year, and the University Official that helped reconcile the accounts and designate where any left-over funds were placed. See Exhibit 5 as an example.

P. Seven (7) years worth of organized financial records shall be kept in the SGA offices, starting in the year this amendment passes (2003-2004), with a minimum of the previous four (4) years records stored in a 3-ring binder with tabs separating each year, with a copy of the Congressionally authorized budget as the first page(s) of any given budget year, with the General Ledger as the next page(s), with accounts arranged in order as they appear in the Congressionally authorized budget behind the General Ledger, and with the Reconciliation and Audit of the year’s budget as the last page.
# EXHIBIT 1 Annual Budget Proposal for Congressional Approval

## EXHIBIT 2: Budget Summary

### 2000-2001 Year-To-Date

<table>
<thead>
<tr>
<th>Date</th>
<th>Account Name</th>
<th>Dollars Allocated</th>
<th>Dollars Spent</th>
<th>Dollars Remaining</th>
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</thead>
<tbody>
<tr>
<td>8/15/2000</td>
<td>Public Relations</td>
<td>$90,000.00</td>
<td>$45,000.00</td>
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<td>8/15/2000</td>
<td>Office Supplies</td>
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<td>$2,635.64</td>
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<td>Total</td>
<td></td>
<td>$495,000.00</td>
<td>$47,364.36</td>
<td>$447,635.64</td>
</tr>
</tbody>
</table>

Western Student Government

Student Government Association
270-745-4354
FAX: 270-745-7079

Western Kentucky University
Bowling Green, KY 42101-3576

EXHIBIT 1

EXHIBIT 2

Western Student Government

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270-745-4354
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EXHIBIT 1

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Western Kentucky University
Bowling Green, KY 42101-3576

EXHIBIT 1

EXHIBIT 2
EXHIBIT 3: General Ledger

<table>
<thead>
<tr>
<th>Account Index</th>
<th>SGA General Ledger 2000-2001</th>
<th>Date</th>
<th>Authorization to Spend</th>
<th>Person or Congressional Bill#</th>
<th>Funds Dispersed to</th>
<th>Account Charged</th>
<th>Expense Amount</th>
<th>Remaining Balance</th>
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</thead>
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<td>Dan Smith</td>
<td>Programs</td>
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<td></td>
<td>10/10/2000</td>
<td>Resolution 02-02-F, Radio Station Program</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>10/10/2000</td>
<td>Bill 02-02-F, SGA Archivist</td>
<td></td>
<td>President Jones</td>
<td>Programs</td>
<td>$300.00</td>
<td>$491,700.00</td>
</tr>
</tbody>
</table>

Total: $3,300.00 $491,700.00

EXHIBIT 4: Individual Account Ledger

<table>
<thead>
<tr>
<th>Date</th>
<th>Authorization to Spend</th>
<th>Person or Congressional Bill#</th>
<th>Account Index</th>
<th>Organization or Person that Funds were dispersed to</th>
<th>Account Charged</th>
<th>Expense Amount</th>
<th>Remaining Balance</th>
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<tbody>
<tr>
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<td>424091</td>
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<tr>
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<td>Bill 02-02-F, SGA Archivist</td>
<td></td>
<td></td>
<td></td>
<td>President Jones</td>
<td>Programs</td>
<td></td>
</tr>
</tbody>
</table>

Total: $3,300.00 $56,700.00
EXHIBIT 5: Prior Year Budget Audit and Reconciliation

All remaining balances from the prior-year's SGA budget have been re-allocated by the University. SGA spent $5,516.00 less than its budget last year. I therefore recommend that SGA spend more of its current budget earlier in the school year.

The records of the previous Financial Officer appear to follow the guidelines of the By-Laws. J. Doe

The University rolled over $8,000.00 unspent from last-year's SGA budget, increasing our available budget from $90,000 current allocated funding in 2000-2001 to $98,000 total available budget.

The records of the previous Financial Officer appear to follow the guidelines of the By-Laws. K. Doer

Due to conflicts with the University Administration, the funds allocated to the Electronic Billboard by Bill 98-5-S dated 4-14-1998 were not spent and have been rolled-over into this year's budget. Additionally, the records kept by the previous Financial Officer are poor and not in accordance with the By-Laws. Signed, G. Bush