



## University of Iowa Student Government

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### The Finance Committee Bylaws (Updated October 2019)

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## **Definitions**

Ex-officio: by virtue of office or official position

Sponsored, Departmental/Affiliated, and Campus/General Student Organizations: student organizations funded by allocations from UISG and GPSG after the SAF has been distributed among UISG and GPSG.

Majority vote: half the number of present senators plus one.

Quorum: half the number of seated senators plus one.

Three-fourths majority vote: three-fourths the number of seated senators.

Two-thirds majority vote: two-thirds the number of seated senators.

## **Acronyms**

ASO: Affiliated Student Organization

CSIL: Center for Student Involvement & Leadership

DoF: Director of Finance

DDF: Deputy Director of Finance

FSL: Fraternity & Sorority Life

GIF: Green Initiatives Fund

GPSG: Graduate and Professional Student Government

GSO: General Student Organization

SAF: Student Activity Fees

SOBO: Student Organization Business Office

SSO: Sponsored Student Organization

TEA: Travel and Equipment Application

UISG: University of Iowa Student Government

## Article I: Funding Duties and Description

### Section A: Composition

1. The Finance Committee shall be comprised of up to seven voting members and non-voting ex-officio DoF and DDF.
  - a. Members shall be appointed according to procedure in the Election Code.
  - b. Vacant seats shall be filled by the Speaker of the Senate.

### Section B: Role in UISG

1. The Finance Committee members shall fulfill duties related to allocations as described in the UISG Bylaws.
2. The Finance Committee shall make funding decisions and prioritize allocations as dictated in the Funding Standards.
3. The Finance Committee shall uphold the financial integrity of UISG and each administration by approving Student Senate Bills before they are on the legislative floor to ensure they are properly budgeted for and appropriate relative to the financial health of the organization.
4. The Finance Committee shall audit the internal spending of UISG and the spending of student organizations and campus partners that receive funding from UISG. The auditing process is outlined in Appendix A.

## Article II: Allocation Procedures

### Section A: Funding Period Protocol

1. The Finance Committee shall review recommendations made by the DoF and DDF and make changes as necessary.
  - a. Review of the recommendations will occur the Monday after the deadline for budget requests.
  - b. At least three-fourths of the members must be present to vote on allocation recommendations. The DoF and DDF are ex-officio, non-voting members.
  - c. During breaks in the academic calendar, the Finance Committee member vacancies may be filled by following this order:
    - i. Senators not on the Finance Committee
    - ii. Executives that do not hold the DoF or DDF positions
  - d. The allocations must pass with a majority vote in the Finance Committee.
  - e. The allocations do not have to pass through the Senate.
2. Budget requests will be accepted on a rolling basis and reviewed bi-weekly throughout the fiscal year.

- a. The application will not close on Engage and will be available for organizations to submit any time.
  - b. Applications will not be accepted less than 2 weeks in advance of the event/program that requires funding.
3. Applications from each student organization shall be reviewed based on the Funding Standards and the organization's respective Maximum Funding Standards.
  - a. The Finance Committee chair shall record any modifications made to the standards. These changes must apply to following funding period allocations within the same fiscal year.
4. Applicants will be notified of the status of their application no later than 24 hours after the allocation meeting.
  - a. Applicants may appeal the Finance Committee's allocation decision if one of the five items outlined in the Appeals Code holds true. Appeals must be filed within two weeks of the notification. Failure to meet this deadline will result in automatic termination of the appeal. Appeals must be emailed to the sitting Director of Finance and chair of the Finance Committee.
  - b. Please see the Appeals Code for the Appeals Process.
5. The Finance Committee holds the right to request additional information from applicants regarding their funding requests. Applications that are sent back for further information must be returned to the Finance Committee within one week of notification. Failure to meet this deadline will result in automatic denial of the application.

#### Section B: Funding Request Caps

1. Applications will be funded based on the category of the student organization, as determined by the Center for Student Involvement and Leadership.
2. Student Organizations will be funded from three categories:
  - a. Category 1: Sponsored Student Organizations
  - b. Category 2: Departmental/Affiliated and General Student Organizations
  - c. Category 3: Campus Organizations
  - d. Sports Clubs will not be approved for allocations unless they attend a national championship.
3. Allocated amounts per student organization will not be funded more than the following amounts per organization category:
  - a. Sponsored Student Organizations may apply for and receive a maximum of \$50,000 annually. There is not a funding cap per funding application.
  - b. Departmental/Affiliated may apply for and receive a maximum of \$15,000 annually. There is a \$7,500 cap per funding application, including applications for a series of events/programming.

- c. Campus Organizations may apply for and receive a maximum of \$9,000 annually. There is a \$4,500 cap per funding application, including applications for a series of events/programming.
- 6. The Finance Committee holds the right to fund applications below the cap based on information provided in the application.
- 7. In the case that an event/program is being collaborated on by two student organizations, both student organizations involved may apply for and receive the full amount of funding available based on the Maximum Funding Standards. More than two groups may not receive funding for the same event.
- 8. Events/programming that require student attendees to pay any form of admission will not be funded. Admission may be charged to non-student attendees.
- 9. Groups who are in need of more funding than the available maximum allows may appeal to the Finance Committee through either a verbal presentation or a written request. Appeals for additional funding must be emailed to the sitting Director of Finance and chair of the Finance Committee.
  - a. The Finance Committee will review the funding cap appeal with the information provided. If the committee chooses to not fund the organization, the Finance Committee will use the following protocol:
    - i. A member of the Finance Committee will present the funding appeal as a piece of legislation to the Student Senate. The legislation must be heard on the senate floor within two weeks of the date in which the appeal was filed.

### Section C: Types of Funding Allocation Requests

- 1. The Finance Committee will fund student organizations under three categories of requests:
  - a. Organizational Maintenance Requests
  - b. Initiative, Event, and Travel Requests
  - c. Special Events Requests
- 2. Special Events Requests may be approved by the Finance Committee if the event/programming meets two out of three of the following criteria:
  - a. The event has been hosted by the Student Organization for 5 years or more and has received UISG funding during that time
  - b. The event is open and free to all students at the University of Iowa
  - c. The event's total cost is over \$8,000
- 3. The Organizational Maintenance Requests and the Initiative, Event, and Travel Requests are available to all categories of organizations that UISG funds. The Special Events Requests are only available to student organizations that fall under Category 2.
- 4. The Organizational Maintenance Requests and the Initiative, Event, and Travel Requests are subject to the Maximum Funding Standards. The Special Events Requests are not

subject to funding caps, but are subject to the Maximum Funding Standards.

#### Section D: Maximum Funding Standards

1. The Finance Committee holds the right to set and amend Maximum Funding Standards for all funding allocations.
2. The Maximum Funding Standards will be updated and reviewed at least once per fiscal year.
  - a. Changes to the Maximum Funding Standards shall be voted on by the committee and are not subject to Senate approval.
  - b. The updated standards will be made available on the UISG website.

#### Section E: Funding Proposal Allocations

1. The Finance Committee shall hear requests and allocate funds from Contingency for amounts between \$1,500 and \$4,999.
2. The requesting student organization/individual shall submit an application form to be due by 5 p.m. on the Sunday before the Finance Committee will evaluate the request.
3. Funding proposal meetings shall take place at a time and a location arranged by the Finance Committee chair.
4. Allocation motions must pass with a majority vote. In the event of a tie, the DoF may cast a tie-breaking vote.
5. The DoF will notify applicants via email of the Finance Committee's decision within 24 hours after the meeting.

### Article III: Amending the Bylaws and Term Transitions

#### Section A: Bylaw Amendments

1. Proposed amendments to the Finance Committee Bylaws shall be adopted with approval from at least three-fourths of the members.

#### Section B: Transitioning between terms

1. The Finance Committee chair shall compile notes on the departing committee's initiatives and those from previous funding period meetings. These shall be passed on to the subsequent committee chair and members.

### Appendix A

#### **Overview**

The audit process' goal is to retroactively examine student organization spending of the Finance Committee funds to determine if they were used properly. The audit will attempt to determine with reasonable certainty if the organization or any members of the organization misused funds.

### **Selection for Audit**

To ensure fairness, organizations will be selected randomly for audit, based off of their categories and the amount of funds allocated to the organization. Each semester, the Finance Committee will audit **1** organization from the Sponsored Student Organizations (SSOs) Category, **2** organizations from the Departmental/Affiliated and General Student Organizations Category, and **3** organizations from the Campus Organizations Category. Within their categories, the determination of who will be audited will be based off of the amount of funds allocated to them. For example, if KRUI received 35% of all funds allocated to SSOs, then they will have a 35% chance of being audited.

Organizations should be informed in writing from either the Director of Finance or the Finance Committee chair that they have been selected for audit. While no action should be required of them at the moment, they should be informed to be prepared to provide documentation or explanation of purchases if necessary.

### **Audit Process**

Two members of the Finance Committee committee will be assigned to oversee the audit. They should receive documentation from the Director of Finance regarding the funds allocated to the organization in the previous year. The committee members assigned to the audit should then check to ensure that the money spent out of the organization's account matches up with the money requested from the Finance Committee. If there is uncertainty from the committee members about what an organization spent, they should discuss it with a point of contact (president, treasurer) of the organization.

### **Materiality**

In audit, materiality means the level of variance that is determined to be "material", or significant. For example, if an organization was allocated \$500, and materiality was set at 10%, then a variation from the budget of \$25 would be considered insignificant, or immaterial. However, if the variation was \$50 or more, then that would be considered a material misuse of funds. For our purposes, we will use a standard of **5%** of total funds for the SSOs Category, and **10%** for both the Departmental/Affiliated & General Student Organizations and the Campus Organizations categories.

### **Response to Potential Misuse**

If an organization materially misuses funds, the organization should first meet with the Director of Finance or the Finance Committee chair and the audit committee in order to explain what

occurred. If after the meeting the misuse is determined to be negligent, irresponsible, or fraudulent, appropriate actions can be taken by the Finance Committee regarding the future allocation of the Finance Committee funds.

### **Independence of Auditors**

All auditors are required to be completely independent of the organization being audited. If there are any concerns regarding the independence of an audit, the individual should inform the Finance Committee chair, and a new member should be assigned to the audit.

### **Timeline**

While auditors should take their time with the process, all audits should be conducted in a timely manner. Auditors should provide frequent updates to the Finance Committee chair and to the organization's point of contact to update them on the status of the audit.