

Fiscal Policies and Procedures

University Account Procedures

Student organizations are strongly encouraged to utilize the free services offered by the University accounting system rather than opening an account with a private financial institution. All student organizations will have a University account established upon inception.

1. To deposit funds, make balance inquiries, or request periodic account statements, please email bursar@parker.edu.
2. Funds deposited are typically accessed only on a reimbursement basis by submitting a [Student Reimbursement Request Form](#) to the Student Affairs Administrator, along with copies of purchase receipts and speaker agreements if applicable.
3. High dollar amount purchases may be handled directly by the Student Affairs Department, eliminating the need for the student members to make the purchase and then be reimbursed. Please email AskStudentAffairs@parker.edu for approval and inquiries.
4. Reimbursement for individual member travel expenses should be approved by a vote of the members, up to a predetermined dollar limit for each occurrence. This includes conference registrations, meals, and travel expenses. As a best practice, the club should vote to approve which individuals should be attending and a dollar limit for reimbursement per individual prior to incurring the expense.
5. Student organizations that remain inactive for three trimesters will lose their recognition status and forfeit their fund balance. Forfeited funds are held in a University account and used to fund new clubs.
6. Each new club will receive a one-time distribution of \$200 deposited into their University account from the forfeited funds holding account.
7. For any questions related to reimbursements, purchases, Student Senate funds requests, or periodic forfeited student organization funds distributions, please contact AskStudentAffairs@parker.edu.

Bank Accounts & Tax Responsibility

Student organizations may establish a bank account with a private financial institution, or they may deposit funds into their University account (recommended). This decision is up to the organization, and banking procedures should be outlined in the organization's constitution.

- Student organizations may **not** open or use a **personal bank account** to house or manage its self-generated revenue.
- To open an account with a private financial institution, the student organization is required to obtain a tax identification number (TIN) from the Internal Revenue Services (IRS)
- When applying for a TIN or opening a bank account, student organizations may not use Parker University's name or any derivatives of it in the organization title. If the student organization wants to indicate its affiliation with Parker University, it may do so by listing "at Parker University" after its title.
- Each organization is responsible for its own tax and financial obligations. Parker University is not responsible for any financial obligation made by a student organization.

- Tax exempt or nonprofit student organizations must provide documentation of their 501(c)3 status to the Coordinator of Student Engagement. Student organizations at Parker are *not* automatically registered as tax exempt or nonprofit.

Membership Fees

A registered student organization may collect membership fees or dues at a meeting at the beginning of each trimester. However, student organizations are required to provide an alternative option for those students who cannot or may not be able to afford the required membership fee. Fees collected must be included in the annual Fundraising Report and outlined in the organization's constitution. All membership fees should be approved by the Department of Student Affairs and the organization advisor.

Funding from Student Senate

Active student organizations may apply for funding from Student Senate by submitting a [Student Senate Request for Funds form](#). A maximum of \$300 may be awarded per fiscal year, per organization.

Fundraising Activities

1. All student organizations and clubs must submit a [Fundraiser Approval Form](#) at least 10 business days before the event. After the fundraiser is complete, the organization must submit a report on the money earned and prizes won. Fundraising examples can be found in the appendix.
2. Per **Texas State Tax Code**, student organizations that are not classified as a 501(c)(3) group can only raise funds **1 day per month** without paying state sales taxes on those funds. Texas law allows a registered student organization to be relieved from state sales tax liability for fundraising sales occurring one day per month or less where sales are for the benefit of the registered organization and do not involve another entity not authorized for solicitation.
3. Student organizations may fundraise *on behalf of a 501(c)(3) non-profit organization* for a total of **14 days per fiscal year**. (501(c)(3) student organizations fall under the 14 days per fiscal year rule if raising funds for themselves.)
4. A registered student organization may advertise or sell merchandise, publications, food, or nonalcoholic beverages, or request contributions, for the benefit of another registered student, faculty member, student organization, or tax-exempt organization.
5. Go Fund Me or similar crowdfunding sites should **NOT** be utilized for fundraising activities.

Raffles

A registered student organization may sell charitable raffle tickets on behalf of an organization that is authorized to conduct a charitable raffle under the Texas Charitable Raffle Enabling Act, Texas Occupations Code, Chapter 2002, or successor provisions. This must be indicated on the [Fundraiser Approval Form](#).

1. Payment for the purchase of raffle tickets may not be made with University funds or a University issued credit card.
2. The value of a prize awarded through a raffle is considered taxable income to the recipient and may require the student organization to collect identity information from the winner (Form W-9) and report the value of the prize to federal and/or state revenue agencies. Additionally:

- a. Cash or gift cards won from raffles (50-50 or any cash or gift card prize) have no dollar minimum and the Student Organization must collect identity information from the winner (W-9).
- b. For prizes (cash, gift card, or other) valued over \$600, the Student Organization must file a form 1099-Misc with the IRS with a copy to the prize winner.
- c. If the prize won is valued over \$5000, the Student Organization may be required to collect withholding taxes from the prize winner and remit those taxes to the IRS.

The responsibility of filing required tax forms lies solely with the Student Organization, and Parker University bears no responsibility for the collection and reporting of this information.