

Student Organization Receipt and Payment Process

A. Overview

Morgan State University has many student clubs. These clubs, although affiliated with the Student Government Association, do not receive SGA funds but raise money through various fundraising methods to support club activity. These organizations normally do not have the infrastructure to obtain a federal identification number. Without a properly issued federal identification number, these clubs cannot have a bank account to deposit and disburse club funds. To avoid this issue, a club/organization may 'bank' their funds and pay their expenses through the University's Student (S.E.) checking account using the process listed below.

B. Establishing a student organization account within the S.E. bank account.

1. Memo from the club advisor to include the following:
 - Organization's name (not to include MSU)
 - Faculty/Staff advisors (2)
 - Individuals authorized to pickup checks (up to 3)
 - Approval of the Director of Student Activities (verifying the student organization)
 - The following lines to be filled in by the Comptroller's Office:
 - ⇒ Account number: _____
 - ⇒ Assigned by: _____
 - ⇒ Date: _____
2. The request memo is forwarded to the Comptroller's Office.
3. The Comptroller's Office creates a unique nine-digit S.E. account for the organization.
4. Completed and signed organization account number request form is returned to the requesting faculty/staff advisor by the Comptroller's Office.

A. Deposit Funds

1. Checks payable to Morgan State University, MSU Student Exchange and/or cash are delivered to the Bursar's Office cashier during normal working hours.
2. Depositor tells cashier to deposit funds to the Student Exchange Account and gives the organization's name and account number.
3. Depositor receives a receipt from the cashier, verifies the amount and organization number and keeps the receipt for record keeping.

B. Request a Disbursement Check

1. Verify sufficient funds are in the organization's Student Exchange Account.
 - A minimum 2 days clearance on deposits.
2. Complete the Request for Emergency Disbursement form. The payee, organization name, number and expected check required date is prominently listed on the form.
3. The Emergency Disbursement form is signed by the organization's advisor.

4. The completed and signed Emergency Disbursement form is delivered to the Comptroller's Office a **minimum of 3 days before needed**.
 - If the organization is using funds that were recently deposited, it is recommended that copies of the deposit receipts accompany the Emergency Disbursement form.
5. The Student Exchange custodian verifies availability of funds and if available, creates check.
6. On the designated date, authorized organization representative verifies availability of the check by calling extension 3403. When available, representative picks up and signs for the check(s) in the Comptroller's Office.
1. Any unspent or leftover funds from issued checks should be re-deposited, following the same directions for deposits listed above in section C.

A. Rules/Restrictions

1. Limit of 2 payment checks per month.
 - Check amounts must be enough to cover the entire purchase or event.
 - Most checks will be in the name of an organization member. This member would be expected to cash the check in order to pay various vendors.
2. Organization is not affiliated with any national organization, such as a fraternity.
3. The words 'Morgan State University' cannot be affixed to the organization's name.
4. If the bank does not honor a deposited check, the deposit will be reversed with a \$25.00 additional charge.
5. If the organization's Student Exchange account has a balance of less than zero, payment of the overdraft is immediately due.
6. Account balance cannot exceed \$5000.00.
7. Activity in the account is for the organization (no personal activity).
8. Purchases are subject to standard taxing.
9. Payments from this account should not be to individuals as a form of payroll or compensation.
10. At the request of an advisor, transaction activity reports, up to a maximum of the preceding 12 months and current balances are available from the Comptroller's Office.
11. Any funds received by the organization cannot be considered a donation to the office.
12. If the account becomes dormant (no activity) for 2 years, the funds will be deposited to the Student Government Association account.
13. Except for the possibility listed in #12, there is no activity in this bank account related to the SGA or any other University department's transactions.
14. The Comptroller's Office is assuming no auditing and reporting oversight of the organization's activity.

Sample Account Request

April 30, 2002

To: Patrick M. O'Brien
Comptroller's Office

From: Lady Director

Re: XYZ Student Association Account

Please create a new student organization account in the Student Exchange bank account. This account will be used to process this organization's deposits and disbursements. The student representatives and the University advisors have received the procedures and rules concerning the Student Exchange account. The specific student organization information is listed below:

Name: XYZ Student Association

Advisors: Mary Smith (ext 1111), Beth Rogers (ext 2222)

Authorized to pickup checks: Tom Jones, Mary Smith and Monica Blake

Approval: _____ Date: _____
Student Activities Director

Comptroller's Office Only:

⇒ Student Exchange Account Number: _____

⇒ Assigned by: _____

⇒ Date: _____