

## Student Involvement – Student Organization Classification System Policy

Acknowledging the variety of purposes, and the different levels of risks and financial responsibilities that student organizations may possess, Student Engagement and Leadership has developed a classification system to facilitate the development of specific training to support the needs of each student organization.

***Student Engagement and Leadership will determine and will have final authority of the respective classification for each student organization. This document serves as a WVU institutional policy. All student organizations must comply with this Institutional Policy and all other WVU Policies, Guidelines, and the Student Conduct Code.***

		Independent SO	Sponsored SO	Departmental SO
1 REGISTRATION	Register w/ Student Engagement and Leadership	X	X	X
2 CONSTITUTION	Submit current copy of organization's constitution	X	X	X
3 ADVISOR	Requires a full-time faculty or staff advisor	X	X	X
4 ANNUAL REGISTRATION WORKSHOP	Must attend an Annual Registration Workshop	X	X	X
	Must attend Student Government Grant Funding and Financial Management Workshop	X	X	
5 MEETING / EVENT SPACE	May reserve meeting or event space on campus	X	X	X
6 COMPLIANCE	Must comply with WVU policies and guidelines and/or requirements of sponsoring unit	X	X	X
7 TAX	Provide EIN or Tax ID number, if applicable, and comply with IRS regulations <b><i>*Please refer to Student Organization Tax Information Handout</i></b>	X	X	
8 FUNDING/ SUPPORT	Is eligible for Student Government Association grant funding and event planning support	X	X	
	Ability to assess member dues or fees to support the financial operations	X	X	
	Financially supported by University student fees or department funding		X	X
9 FINANCIAL	May utilize off-campus banking accounts.	X	X	
	Financial processing handled by organization with oversight by sponsoring unit		X	
	May utilize University accounts. Financial processing is handled by sponsoring unit.		X	X
	Must include Financial Management standards within the organization's Constitution and By-Laws as outlined Student Engagement and Leadership	X	X	
10 FINANCIAL REVIEW	If annual revenues and/or expenditures exceed \$5000, required to have external review of finances using a pre-approved professional and share results with Student Engagement and Leadership	X	X	
	Provide monthly bank account statements to Advisor and monthly treasury report to all members. <b><i>*If organization collects member dues and host fundraising events</i></b>	X	X	
11 RISK MANAGEMENT	Must review risk management options if group travels together or individually as part of the group	X	X	X
	Must have risk management plan if alcohol is involved in any event sponsored by the organization	X	X	X
	Must register, complete indemnification agreements, and meet Student Engagement and Leadership Office regarding all student organization travel.	X	X	X
12 HAZING	Must abide by anti-hazing policies, student conduct policies and laws.	X	X	X
13 STUDENT CONDUCT CODE	Subject to the Student Conduct Code with regards to student organization and individual members. <b><i>*Please refer to the Student Conduct Code and WVU Board of Governors Policy 31.</i></b>	X	X	X

## INDEPENDENT STUDENT ORGANIZATION (ISO)

Independent student organizations seek access to certain university-controlled benefits and resources and works with representatives of the university who will assist it with questions related to legal compliance, fiscal responsibility, and adherence to established community standards. An ISO operates under its own tax identification number, is legally separate from WVU, and functions under the control of its student members. Any ISO established bank account must be independent of WVU and maintained by student members.

\*All ISOs are allowed to use the trademark use of “at West Virginia University”, consistent with the Trademark and Licensing guidelines (<http://trademarklicensing.ur.wvu.edu/student-groups>), following or below the ISO organizational name.

Examples: Magic the Gathering Club, WVU Amateur Radio Club, Alpha Phi Omega, A Moment of Magic, WVU Relay for Life, Baptist Campus Ministry, Chi Alpha, College Republicans, Spectrum, Young Dems, College Republicans, African Student Association, Japanese Club, Black Student Union, NAACP.

## SPONSORED STUDENT ORGANIZATION (SSO)

Sponsored student organizations have a substantial relationship with a university department or unit. An SSO operates under its own tax identification number, is legally separate from WVU, and functions under the guidance and sponsorship of a university department or unit. Any SSO established bank account must be independent of WVU and maintained by student members. SSOs must be supported by an executive officer, dean, or director of an academic or operational unit and must have a mission that is consistent with the department. The department or unit must provide, assign, or approve an advisor for the SSO.

\*All SSOs are allowed to use the trademark use of “West Virginia University”, consistent with the Trademark and Licensing guidelines (<http://trademarklicensing.ur.wvu.edu/student-groups>), preceding the SSO organizational name.

Examples: Beta Alpha Psi, Delta Sigma Pi, SHRM, WVU Athletic Trainers Association, Kappa Kappa Psi, Collegiate Chapter of the National Association for Music Education, WVU Plan and Social Sciences Club, Society of Women Engineers, Mountaineer Maniacs.

## DEPARTMENTAL STUDENT ORGANIZATIONS (DSO)

Departmental student organizations are fully funded and supported by a university department or unit. A DSO operates under WVU’s tax identification number, is legally separate from WVU, and functions under the guidance and sponsorship of a university department or unit. DSOs must be supported by an executive officer, dean, or director of an academic or operational unit and must have a mission that is consistent with the missions of the University and department. The unit must provide an advisor for the DSO.

\*All DSOs are allowed to use the trademark use of “West Virginia University”, consistent with the Trademark and Licensing guidelines (<http://trademarklicensing.ur.wvu.edu/student-groups>), preceding the DSO organizational name.

Examples: Student Government Association, Student Events Board, Student Alumni Association, Honors Student Association.

## Registration for Sponsored and Departmental Student Organizations

Sponsored and Departmental Student Organizations must have a written document (Sponsored/Department Student Organization Agreement) describing the nature of their sponsorship. This document must be signed by either the sponsoring/departmental executive officer, dean, or director and by the student organization.

## Tax Information

### Gross Receipts

*Gross Receipts* are the total amounts the organization received from all sources during its annual accounting period, without subtracting any costs or expenses.

### Gross Receipts Test

For purposes of the gross receipts test, an organization normally does not have more than \$5,000 in annual gross receipts, if—

- During its first tax year the organization received gross receipts of \$7,500 or less,
- During its first two years the organization received a total of \$12,000 or less in gross receipts, and
- If an organization has existed for at least three years, the organization received a total of \$15,000 or less in gross receipts during the immediately preceding two years plus the current year.

An organization's gross receipts are considered to be \$50,000 or less if the organization:

- Has been in existence for 1 year or less and received, or donors have pledged to give, \$75,000 or less during its first taxable year;
- Has been in existence between 1 and 3 years and averaged \$60,000 or less in gross receipts during each of its first two tax years; and
- Is at least 3 years old and averaged \$50,000 or less in gross receipts for the immediately preceding 3 tax years (including the year for which calculations are being made).

## Federal Tax Exempt Status

### Organizations with Gross Receipts of Not More than \$5,000 per Year

An organization that normally has gross receipts of not more than \$5,000 per year (see gross receipts test) and which is organized and operated exclusively for tax-exempt purposes will generally be recognized as tax-exempt under Internal Revenue Service Code (IRC) Section 501(a) without applying to the IRS for approval of IRC Section 501(c)(3) status.

### Organizations with Gross Receipts in Excess of \$5,000 per Year

An organization that normally has gross receipts in excess of \$5,000 per year (see gross receipts test) and which is organized and operated exclusively for tax-exempt must formally request recognition of exemption in order to be recognized as an entity exempt from federal income taxes. The request is generally made on IRS Form 1023, Application for Recognition of Exemption under IRC Section 501(c)(3) of the Internal Revenue Code.\* Where the form is timely filed, the organization will generally be treated as tax-exempt until the IRS acts on the application. In order to ensure that the Form 1023 is complete and accurate, it is strongly recommended that an organization seek professional tax assistance in completing this application.

## Annual Filing Requirements

### Organizations with Gross Receipts of Not More than \$50,000 per Year

Organizations with gross receipts that are not normally more than \$50,000 per year (see gross receipts test) must electronically submit IRS Form 990-N, also known as the e-Postcard, annually (unless the organization chooses to file a complete Form 990 or 990-EZ). The e-Postcard is due by the 15th day of the 5th month after the close of the organization's tax year.

### Organizations with Gross Receipts in Excess of \$50,000 per Year

Whether it has received recognition of its tax-exempt status or is awaiting notification of exempt status, an organization that normally has gross receipts in excess of \$50,000 per year (see gross receipts test) must file IRS Form 990, Return or Organization Exempt from Income Tax, or IRS Form 990-EZ, Short Form, Return of Organization Exempt from Income Tax, annually, with the IRS. Forms 990 and 990-EZ are due by the 15th day of the 5th month after the close of the organization's tax year.

An organization that has gross receipts during the year of less than \$200,000 and total assets at the end of the year of less than \$500,000, however, may file Form 990-EZ rather than Form 990.

## Financial Standards and Procedures

There are many elements that contribute to sustainable, successful organizations. Strong financial management, combined with adequate resources, are essential elements that can go a long way toward achieving your organization's goals. To emphasize the importance of strong financial controls and maintenance of records, Student Engagement and Leadership, has set the following requirements and best practices related to student organization finances. These fiscal control measures provide for accuracy and reliability in accounting data and maintain compliance with University policy. All student organization officers and advisors are required to know and abide by these policies. All financial procedures must be included in the constitution and by-laws of the student organizations.

### REQUIREMENTS

- Recognized Student Organizations are required to maintain updated/current contact information for the Primary Student Officer/President and Financial Officer/Treasurer as well as the Advisor with Student Engagement and Leadership. This contact information is used to communicate important events, requirements, opportunities, etc.
- Financial officers/Treasurer's must complete financial management training workshop provided by Student Engagement and Leadership. This required training will cover general accounting concepts, important information about keeping records, and other critical business information regarding contracts, travel, serving food on campus, fundraising and solicitation, etc.
- Independent and Sponsored student organizations, if desired, must establish off-campus bank accounts utilizing the organization's tax ID and be independent of West Virginia University.
- Recognized Student Organizations are required to maintain current information regarding off-campus financial accounts including the name of the financial institution, location, type of account and signers on the account(s) as part of their recognition or re-recognition process. Additionally, monthly bank statements (redacted to exclude account numbers) should be made available to officers, members and advisors.
- Organizations cannot use the West Virginia University Federal Tax Exempt ID number to open bank accounts or use for any business purposes. Instructions on obtaining an EIN Tax number for banking purposes can be found at the following link: <http://www.irs.gov/pub/irs-pdf/iss4.pdf>
- All the Student Organization's financial activity must be conducted with full knowledge of its Executive Board and/or the general membership. In the event of a dispute, evidence of this knowledge will be required, usually in the form of official minutes.
- Consequences of non-compliance with the above requirements will result in the offending student organization losing all recognition privileges including but not limited to: space reservations, advertising on campus, seeking funding from SGA or any other university department or unit, Etc.

### Must be included in Constitution and By-Laws

- One person, usually the Treasurer, is designated as the account manager. This person has primary authority to approve all the student organization's expenditures.
- All expenditures over \$100.00 require two signatures: the account manager and the President.
- All expenditures over \$250.00 require three signatures: the account manager, the President, and another executive board officer.
- The student organization's advisor may request and review all financial documents at their discretion.
- All student members and officers are also subject to West Virginia's Student Conduct Code.

### Officers' Responsibilities: Checks and Balances

Your organization is responsible for its own finances and financial records. The University will provide guidance, if needed, but the responsibility rests with the officers of the student organization. To maintain good financial control, it is necessary for more than one person to hold responsibility for financial transactions.

### Advisor's Responsibilities

Advisor responsibilities regarding organizational finances include the following:

- Be knowledgeable of organization's finances and financial procedures as well as the

University's policies and procedures;

- Review monthly banking statements with the Primary Student Officer/President and Financial Officer/Treasurer on a regular basis;
- Challenge students to make budget and expenditure decisions that best reflect the mission and purpose of their organization; and
- Hold financial officers as well as the membership of the organization accountable for proactive and sound financial management.

### **Guidelines for Off-campus Bank Accounts for Student Organizations**

Because the University does not offer on-campus bank accounts for student organizations, it's important for each student organization to establish financial controls to limit the risk of mismanagement of organization funds. The University recommends that organizations adopt the following measures to insure good financial management and practice for off-campus banking.

- **Monthly Reconciliation of Bank Statements**

The Financial Officer/Treasurer should maintain expenditure and deposit records to allow for a monthly comparison (reconciliation) to the bank statement (in some cases this is an online process with your bank). Document and resolve all differences.

- **Formal Financial Report**

Depending on the complexity of the student organization, the Financial Officer/Treasurer should make no less than one formal report each semester to the other officers and members of the organization. The report should be reviewed and approved by the organization's members.

- **Double endorsement of expenses**

requiring two signatures on checks adds an additional control which may help prevent check purchases being made without the consent of a second student organization officer.

- **Name of the organization's Primary Student Officer/President on ATM/Debit Cards**

Having the name of the Primary Student Officer/President on the organization's ATM/Debit Card and only allowing one card for your organization allows for better accountability of the expenditure of your organization's funds.

- **Documentation for ATM and Debit Card Transactions**

Student organizations should limit the use of ATM and debit cards since they rarely provide the paper trail that is helpful in accounting. The use of an ATM to withdraw cash to purchase supplies should also be discouraged since mismanagement of organization funds may occur more easily. Subsequent officers may also find it difficult to understand organization expenses without paid invoices, itemized receipts and other appropriate paperwork. ATM and debit cards can be used for any legitimate organizational purposes including purchasing on-line merchandise or to provide a deposit for a service. It is important for those using the ATM/Debit card to turn in itemized receipts and other appropriate paperwork for proof of items/services purchased.

- **Separate financial duties**

The Financial Officer/Treasurer should not be the primary purchasing officer or have access to an ATM or check card. If so, another person needs to reconcile the bank statements to ensure an appropriate system of checks and balances for financial transactions and reconciliation.

- **Keep records public to Officers, Members and Advisors**

Purposeful mismanagement of funds is difficult to conceal when financial records are made public or readily available to the student organization's officers, members and advisors. Public records allow organization representatives to question all expenses, which helps ensure generally accepted use of the organization's resources and protects against misuse of funds.

- **Define consequences for misuse of funds**

It is important to address misuse of funds (i.e. embezzlement) in your organization's Constitution and By-laws.

Some items to include:

- Definitions
- Methods for monitoring bank accounts
- Consequences for violating policies

By doing so, the student organization states its intentions to be a good steward of organization funds. This acts as a deterrent and leaves no ambiguity regarding the consequences associated with misuse of funds. The point is to deter the activity and outline a course of action in the rare event misuse of funds occurs.

- **Have officers remove personal information from bank accounts and change online banking passwords during officer transitions**

When an officer is no longer associated with the student organization (due to graduation or any other reason) be sure to communicate with the bank and have their personal information removed from any accounts. Transferring account status to a current organization officer ensures a smooth transition for the organization. Additionally, it is very important for security purposes to change the organization's online banking passwords as part of the officer transition process.

## Insurance Considerations

### Rental Vehicles

WVU has a contract with Enterprise to meet its rental vehicle requirements. Vehicles rented for travel under the WVU "account" that are used for **business purposes** are provided insurance coverage by Enterprise at no cost to the renter. This includes commercial auto liability, which responds to third-party bodily injury and property damage liability against the driver of the rental vehicle. It also includes auto physical damage claims for damage that is done to the rental vehicle.

There are some key determining factors that apply to student organizations when a vehicle is rented for their use under the WVU Enterprise contract.

- Vehicles that are rented by a related WVU department (Campus Recreation for example) for use by student organizations to travel, would be eligible for the WVU contract **rental rate**
- However, vehicles used for student organization travel would not (in most cases) be considered business travel
  - Student organization rentals would not have the benefit of the Enterprise insurance coverage
  - If no optional coverage is purchased from Enterprise, claims will be submitted to WVU's coverage with the WV Board or Risk & Insurance Management (BRIM)
  - Claims submitted to BRIM for damage to the rental vehicle include a \$1,000 deductible which must be paid by the department renting the vehicle or the student organization
  - The deductible can be avoided by purchasing the optional collision damage waiver (CDW) from Enterprise when the vehicle is rented for their daily rate
  - At no time is it necessary to purchase the optional auto liability coverage from Enterprise
- Student organizations defined as "part of WVU" under the Sponsored and Departmental Organization classification would have the benefit of the full insurance coverage provided to WVU, but the damage to the vehicle must be associated with business use of the vehicle, if paid for by the university.
- Those who are unsure about the insurance considerations for a particular rental can call WVU Risk Management (Kelsey Richards – 304.293.2241) or (Michael J. Gansor – 304.293.8441) for guidance

### General Liability

This type of insurance provides an individual or entity with defense of claims made against them as a result of their actions, such as the following:

- Bodily injury to another individual or entity
- Damage to property owned by another individual or entity
- Damage due to libel, slander, defamation, loss of reputation, etc.
- Students organizations that desire this type of coverage can obtain it in different ways, including
  - Purchase an annual general liability insurance policy from an insurance agent or broker
  - Purchase it from a national organization that serves the needs of member student organizations across the country – many national organizations offer optional liability coverage as a benefit to their membership
  - Purchase event-specific insurance coverage that insures one event for a short period of time
    - Examples would be a car wash or bake sale fundraiser
  - Policies that provide this type of coverage are sometimes referred to as TULIP (Tenant User Liability Insurance Policy) policies

### Requirements for Student Organization Use of a WVU Facility

- For low-risk activities such as a monthly meeting to be held in a classroom, WVU does not require a student organization to present evidence of liability insurance coverage
- For medium-risk activities such as a competitive event (softball game, soccer match, etc.)

- WVU requires the host student organization to present evidence of \$1 Million in general liability insurance
- WVU requires a certificate of insurance from the insurance company that provides liability insurance for the student organization prior to the use of a WVU facility
  - WVU must be named “additional insured” on the certificate
- Student organizations that have no general liability coverage can purchase an event specific (TULIP) policy to meet WVU’s insurance requirements
- TULIP policies can be purchased from an insurance agent of their choosing
- WVU Risk Management offers TULIP coverage through URMIA – (University Risk Management & Insurance Association)
- A student organization can purchase TULIP coverage online with a credit card via this website:  
<https://tulip.ajgrms.com/>
- Please note that the option offered by WVU Risk Management can only provide liability coverage for events held on WVU owned property
- Off-premises events are not eligible under the WVU program, but may be available from other sources
- If the activity for which you wish to purchase liability insurance cannot be found under the “covered activities” list on the TULIP website, then WVU will most likely deny the use of its facility
- For high-risk activities, WVU may deny the use of its facility to a student organization
  - Examples might include:
    - Boxing match
    - A fencing competition
    - A rodeo
    - A karate competition

**RELEASE AND INDEMNIFICATION AGREEMENT – Adult Student**

**STUDENT:** \_\_\_\_\_ 800#: \_\_\_\_\_  
Name (last name first - please print or type)

\_\_\_\_\_  
Address

\_\_\_\_\_  
City, State, Zip Code

**DESCRIPTION OF ACTIVITY OR TRIP:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**MODE OF TRANSPORTATION:** \_\_\_\_\_

**LOCATION(s) of activity or trip:** \_\_\_\_\_

**DATE(s) of activity or trip:** FROM \_\_\_\_\_ 20 \_\_\_\_ TO \_\_\_\_\_ 20 \_\_\_\_

I, the above named student, am eighteen years of age or older and have voluntarily applied to participate in the above Activity or Trip. I acknowledge that the nature of the Activity or Trip may expose me to hazards or risks that may result in my illness, personal injury or death and I understand and appreciate the nature of such hazards and risks.

In consideration of my participation in the Activity or Trip, I hereby accept all risk to my health and of my injury or death that may result from such participation and I hereby release the West Virginia University, its governing board, officers, employees and representatives from any and all liability to me, my personal representatives, estate, heirs, next of kin, and assigns for any and all claims and causes of action for loss of or damage to my property and for any and all illness or injury to my person, including my death, that may result from or occur during my participation in the Activity or Trip, whether caused by negligence of West Virginia University, its governing board, officers, employees, or representatives, or otherwise. I further agree to indemnify and hold harmless West Virginia University and its governing board, officers, employees, and representatives from liability for the injury or death of any person(s) and damage to property that may result from my negligent or intentional act or omission while participating in the described Activity or Trip.

**I HAVE CAREFULLY READ THIS AGREEMENT AND UNDERSTAND IT TO BE A RELEASE OF ALL CLAIMS AND CAUSES OF ACTION FOR MY INJURY OR DEATH OR DAMAGE TO MY PROPERTY THAT OCCURS WHILE PARTICIPATING IN THE DESCRIBED ACTIVITY OR TRIP AND IT OBLIGATES ME TO INDEMNIFY THE PARTIES NAMED FOR ANY LIABILITY FOR INJURY OR DEATH OF ANY PERSON AND DAMAGE TO PROPERTY CAUSED BY MY NEGLIGENT OR INTENTIONAL ACT OR OMISSION.**

\_\_\_\_\_  
Signature of Student

Date signed: \_\_\_\_\_ 20 \_\_\_\_

\_\_\_\_\_  
Signature of Witness

Date signed: \_\_\_\_\_ 20 \_\_\_\_

\_\_\_\_\_  
Printed Name of Witness



**RELEASE AND INDEMNIFICATION AGREEMENT - Minor**

**PARTICIPANT:** \_\_\_\_\_  
Name (last name first - please print or type)

\_\_\_\_\_  
Address

\_\_\_\_\_  
City, State, Zip Code

**DESCRIPTION OF ACTIVITY OR TRIP:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**MODE OF TRANSPORTATION:** \_\_\_\_\_

**LOCATION(s) of activity or trip:** \_\_\_\_\_

**DATE(s) of activity or trip:** FROM \_\_\_\_\_ 20 \_\_\_\_ TO \_\_\_\_\_ 20 \_\_\_\_

I am the Parent/Guardian of the above-named Participant, who is under eighteen years of age and I am fully competent to sign this Agreement.

I give permission for Participant to participate in the above-referenced Activity or Trip. I acknowledge that the nature of the Activity or Trip may expose Participant to hazards or risks that may result in Participant's illness, personal injury or death and I understand and appreciate the nature of such hazards and risks.

In consideration of Participant being permitted to participate in the Activity or Trip, I hereby accept all risk to Participant's health and of his/her injury or death that may result from such participation and I hereby release West Virginia University, its governing board, officers, employees and representatives from any and all liability to Participant, Participant's personal representatives, estate, heirs, next of kin, and assigns for any and all claims and causes of action for loss of or damage to Participant's property and for any and all illness or injury to Participant's person, including his/her death, that may result from or occur during Participant's participation in the Activity or Trip, whether caused by negligence of West Virginia University, its governing board, officers, employees, or representatives, or otherwise. I further agree to indemnify and hold harmless West Virginia University and its governing board, officers, employees, and representatives from liability for the injury or death of any person(s) and damage to property that may result from Participant's negligent or intentional act or omission while participating in the described Activity or Trip.

**I HAVE CAREFULLY READ THIS AGREEMENT AND UNDERSTAND IT TO BE A RELEASE OF ALL CLAIMS AND CAUSES OF ACTION FOR PARTICIPANT'S INJURY OR DEATH OR DAMAGE TO PARTICIPANT'S PROPERTY THAT OCCURS WHILE PARTICIPATING IN THE DESCRIBED ACTIVITY OR TRIP AND IT OBLIGATES ME TO INDEMNIFY THE PARTIES NAMED FOR ANY LIABILITY FOR INJURY OR DEATH OF ANY PERSON AND DAMAGE TO PROPERTY CAUSED BY PARTICIPANT'S NEGLIGENT OR INTENTIONAL ACT OR OMISSION.**

\_\_\_\_\_  
Signature of Parent/Guardian

\_\_\_\_\_  
Printed Name of Parent/Guardian

\_\_\_\_\_  
Address (if different from Participant's address)

\_\_\_\_\_  
Signature of Witness

\_\_\_\_\_  
Printed Name of Witness

Date signed: \_\_\_\_\_ 20 \_\_\_\_