ACCOUNTS PAYABLE

Required and Non-Required Student Organizations/Clubs

March 2021

Information on Student Organization Accounting System used for required organizations can be found at UPPS 03.01.10. Other student organizations are not included in this UPPS, but Section 02.03 does list certain restrictions for these organizations.

For additional information on Required Organizations accounting see this link:
AP Student Organization Accounting System Resource Page This link provides information on:

- Summary information for Required and Non-Required Student Organizations/Club
- Student Organization Account Setup & Update Form
- Cash Deposit Forms
- Student Payment Request Form (AP-9) and instructions
- Vendor Number Quick Guide
- Expense GL Codes Guide
- State Sales Tax for University & College Student Organizations
- Faculty & Staff Advisor Information
- Department Contact Information

REQUIRED CLUB ACCOUNTS (Chartered, Sport, Residence Hall Councils through RHA)

- Requests must be on the AP-09 Form Student Organization Account Payment Request. The form and supporting documentation should be emailed to payables@txstate.edu.
- AP-09 Form Instructions should be reviewed before starting the payment request process.
- All vendors (third-party and students) must have a vendor number in SAP. If not, then contact Vendor Maintenance at (vendorrequests@txstate.edu) for instruction on how to add a vendor.
- The AP-9 Form must be completely filled out, signed by the officers and approved by the Club Advisor.
- Club is responsible for all recordkeeping on any use of club funds.
- Attach original ITEMIZED receipts or the original invoice. A separate AP-9 Form is required for each invoice. Invoices should be submitted promptly so payment can be issued to the vendor within 30 days of the invoice receipt date.
  - If there is not an itemized receipt, on an exception basis the club member may summarize the transaction in a memo of what was bought, the cost of each item and why it was needed. Sales tax should be listed separately on the summary. The
total amount in the summary must equal the expense amount to be paid to the payee.

- Proof of payment is required on all reimbursement requests.
- Estimates and order forms are not acceptable support for payment.

- Bank statements or credit card statements are not sufficient documentation. They can be used in conjunction with the summary described above to substantiate payment was made as described. The owner’s name on the statement must be visible and the account number except for the last four digits should be marked out (sensitive data) and all other transactions should also be marked out. The club member (the bank or credit card account owner) can then be reimbursed. Advisors cannot seek reimbursement. (See Section 04.03 of the UPPS.)

- If the expense reimbursement is for an on-line purchase, print the payment confirmation page before you leave the website. This can be used as proof of purchase documentation as well as the description of what was purchased and the item amount plus tax.

- **CASH ADVANCE**
  - The student receiving the advance must have a vendor number in SAP.
  - The advance request is made using the AP-9 Form which should be sent to Accounts Payable 10 days before the advance is needed.
  - The Payment method is dependent on how the student’s SAP vendor record setup is completed. Options include direct deposit, a mailed check, or a check pick up. The student will be notified when the check can be picked up at the SBS Cashier’s Office located in JCK 188.
  - The direct deposit to the student’s bank account is the quickest method for the student to receive the funds.
  - On the AP-09 Form enter the Advance amount on the GL 773000 line.
  - Include a summary in the Purpose of Payment section of what the advance is to be used for.
  - Also enter the following in the Purpose section: “All receipts will be reconciled to the amount of the advance and any unused funds will be returned to the Club account within three days of obtaining the goods or services the advance was issued for.”
  - If any funds are unsubstantiated and not returned to the club, they will be subject to earnings and applicable taxes for the student. This could be an issue in the event of an audit if the unsubstantiated amount is not properly treated as earnings. The Club Officers and staff advisor have responsibility to ensure this process is followed.
  - If funds are returned to the Club, see [University Deposits](#) for instructions and the form needed to make the deposit.
  - The deposit should be made to:
GL 773000 and the CLUB ACCOUNT NUMBER ####### (same one used on the AP-9 Form for the advance request).

- Receipts and reconciliation are retained with the Club records. This is the club’s responsibility.

• OTHER
  - Reimbursement to a club officer requires an additional club officer to approve the AP-9 Form. An officer cannot approve their own reimbursement.
  - Non-cash prizes under $100 are considered de minimis and no IRS 1099 reporting is required.
  - Gift cards or certificates for prizes, etc. are permitted. IRS views these as cash awards. Regardless of the amount these must be reported to the Tax Compliance Office.
  - The Club is responsible for obtaining an IRS W-9 Form from the recipient for reportable prizes and cash awards. The IRS W-9 Form should be sent to taxspecialist@txstate.edu with the amount the recipient received so proper IRS 1099 reporting can be completed.
  - IRS W-9 form and 1099 reporting also applies to unused cash advance amounts that are not returned or reconciled as described above. Tax must be notified at their email address above.
  - Rush payments need three to five business days for processing. Follow the payment request process above. Note RUSH in the email subject line.
  - Compliance with the Check Pickup Process is necessary to receive the actual check.

NON-REQUIRED ORGANIZATIONS/CLUBS

- These clubs maintain their own bank account off campus and have total responsibility for their financial transactions and cash safeguarding.
- These clubs spend money according to the club goals.
- The Texas State Accounts Payable area does not review or pay any expenses for these clubs nor do the IRS 1099 Reporting (if any is required).

STUDENT CLUBS OVERVIEW

Student Organizations - See Student Involvement webpage for a complete list of organizations.
  - The list of registered student organizations can be found at http://getinvolved.lbjsc.txstate.edu/
  - All have faculty or staff advisors.
Required Organizations:
- Chartered Organizations
- Sports Clubs
- Residence Hall Councils through the Residence Hall Association (RHA)
- All use Fund 9100001000 but have unique I/O numbers
- All accounting is handled by TX State (i.e. payments and IRS 1099 reporting)
- Use the AP-9 Form for payment requests and must follow substantiation rules for payment
- No purchases for alcohol are allowed

TAX Numbers
- Required Organizations (see list above and in the UPPS) can use the TX State TIN number for 1099 reporting only.
- Required Organizations can use the TX State Sale Tax exemption status for purchases from their funds.
  - Only Requirement:
    ➢ Must have filed for affiliate status with the Comptroller’s Office.
    ➢ Can then use if purchasing items for resale. Total under $5,000.
- Required organizations can use the State of TX Occupancy Tax Exemption for travel expenses.

TX State Payments for the Benefit of a Student Organization
- The [TSUS Rules and Regulations](#) (Chapter 6 STUDENT SERVICES AND ACTIVITIES then Section 6 STUDENT ORGANIZATIONS, point 6.43) also state that any component fund that is budgeted can be used to pay these expenses or reimbursements for a Student Organization. This includes designated method or a departmental restricted fund. These payments are issued to the vendor or student member and not the club itself.
- Payments must adhere to TX State requirements for supporting documentation and business purpose.
- Payments can be made directly to a vendor or student org member. Payments can also be made directly to the Student Organization as a reimbursement for paid expenses. Any reimbursement must have a valid business purpose and be supported with appropriate documentation (e.g. invoice, receipts, etc.).
- There are limited funding sources that can be used to pay a Student Org directly:
  - Student Service Fee Committee
  - Multicultural Programs Committee
  - Underrepresented Student Advisory Council (USAC)
  - Student Organizations Council
  - Other Student Service Fee sources to promote these activities
- Payments to support student events/programming are allowed from university funds, regardless of whether the involved students are part of a student organization or not.
FAQs

- What is the policy on Student Accounting Processes?
  - UPPS 03.01.10
- Can Club Accounts use a debit card?
  - Registered and Chartered Organizations cannot use debit cards. Members can use their own debit cards and seek reimbursement per the process above.
- Can Club Accounts obtain a Texas State P-Card (credit card)?
  - Registered and Chartered Organizations cannot be issued a P-Card. Members can use their own credit cards and seek reimbursement per the process above.
- Can Club Accounts use the Texas State Sales Tax Exemption Certificate?
  - Registered Student Organizations cannot use the Tax Exemption Certificate.
  - Required Organizations may use the Tax Exemption Certificate at the present time. This may be subject to change.
- How can the organization accept credit card payment?
  - TSUS Marketplace is a web-based e-procurement tool that is similar to online shopping. Find more information here.
- What is an I/O and why is it needed?
  - An I/O is a 10-digit internal order number which is an identifier in SAP used to distinguish between accounts using the same fund number. All required student organizations use the same fund number, but the I/O number keeps their transactions and available funds separate from other club data. The Club’s Account Manager can review the club’s financial data in SAP as per Section 03.01e in the UPPS. Note, for some clubs the Advisor may be the same person as the Account Manager, but that is not a requirement.
- How can an Advisor or Account Manager find the club’s I/O number?
  - Complete this Student Organization Account & Update Form and/or contact Student Involvement, getinvolved@txstate.edu, for assistance.