

FINANCE POLICIES AND PROCEDURES

The Richard H. Stewart Jr. American Legion Post 543 financial management activities include those designated committees and individuals whose duties and responsibilities are further defined within this policy. This policy also addresses the various financial processes and procedures required to execute the financial activities of American Legion Post 543.

The following committees and individuals are responsible for the various aspects of the post's financial management and oversight: Post Finance Officer, Executive Committee, Budget & Finance Committee, Audit Committee, appointed Budget Leads, Budget Officer, and individual(s) appointed as the St James Military Appreciation Day treasurer(s). These entities are responsible, as described herein, for aspects of the budget development, funds accountability, receipt, and disbursement of Post funds. The attached organization chart reflects only the financial relationships between these entities. This policy is not a part of our Constitution or By-Laws. Refer to our Post By-Laws and Constitution for further financial guidance with respect to the management of Post 543 financial affairs. This policy is applicable to all entities and individuals identified above.

RELATIONSHIP AND STRUCTURE

The Department of North Carolina notes the Department Finance Officer is custodian of the Department's funds and as such the Post Finance Officer is the custodian of the Post's funds. The members of the Budget & Finance Committee, Audit Committee, Budget Leads, and appointed treasurer(s) of the St. James Military Appreciation Day Committee report to and receive financial guidance and direction from the Finance Officer on financial matters only. The Executive Committee exercises the final internal approval authority for all financial matters. The General membership exercises the final approval authority regarding the annual budget and any approved major budget adjustments at the Budget Category level. Each member of Post 543 has the right to request a detailed review of the Post financial reports, upon submission of a written request to the Executive Committee.

GENERAL FINANCIAL GUIDELINES

All financial information relative to all post accounts is considered proprietary information; therefore, it shall be safe guarded and not releasable to the public. See the table below for sharing of Post 543 financial data. The general membership will be provided a Budget

FINANCE POLICIES AND PROCEDURES

Category level financial update at each general membership meeting.

	DATA RECIPIENTS
A	Commander, Adjutant, Finance Officer
B	EXCOM
C	Budget Leads
D	Budget & Finance Committee
E	Committee Chairs and above
F	Paid Membership
G	Finance Officer
H	General Public

REPORT	FINANCIAL DOCUMENT TITLE	FREQUENCY	RECIPIENTS
1	Finance Report (EXCOM)	Monthly	A, B
2	Finance Report (Membership)	Monthly	A, B, C, D, F
3	Accounts Status (All Accounts & Investments)	Monthly	A
4	Budget	Monthly	A, B, C, D
5	Budget Lead Expenditures	Monthly	A, B, C, D
6	SJMAD Financials	Monthly	A, B, C
7	Athletic Financials	Monthly	A, B, C
8	Scholarship Status	As Requested	A, B, E
9	Specific Financial Requests	As Requested	A, B, C

All expenditures should be approved, in advance, by the respective Budget Lead and the Executive Committee. Any post member that incurs an approved expense on behalf of our post shall prepare an expense reimbursement form detailing the expense and the budget account line number to which he or she recommends that the expense be charged. The Budget Lead for the respective budget account line number must sign the Expense Form. All expense reports should be delivered to the Finance Officer within fifteen (15) days of the expense being incurred.

All expense reports must be signed by the Legionnaire requesting reimbursement and the appropriate Budget Lead. All expenses exceeding \$500.00 must be approved by the Executive Committee. The Budget Lead may approve any expense against their budget account line number not to exceed \$500.00.

The exceptions to this spending limitation are the St James Military Appreciation Fund

FINANCE POLICIES AND PROCEDURES

(SJMAF) and the Post Athletic account. SJMAD and the Athletics Officer will have an EXCOM approved budget for SJMAF and Athletic expenses. All SJMAF expense reimbursements must be submitted on an expense form with receipts. The Vice Commander, Resource Development or the duly appointed Chairman of SJMAD shall serve as the SJMAF Budget Lead with the authority to authorize valid and necessary expenses, identified by budget category line number, to facilitate the fund-raising efforts of the SJMAD Committee. The Post Athletic Officer is the Post Athletics Budget Lead. This individual will submit an annual budget for EXCOM approval. The Athletics Officer has the authority to authorize valid and necessary expenses, identified by budget category line number, to facilitate payment of expenses for Post Athletics.

Post Debit Card utilization is limited to the Commander, Adjutant, Finance Officer, and Post Athletic Officer. A separate Debit Card for Post Athletics, under the control of the Post Finance Officer, is required for payment of expenses in a timely fashion. Some athletic program related expenses can only be paid online. All debit card related payments and any debit card expenses must be approved by the Executive Committee in accordance with the Constitution and Bylaws. The transactions must be submitted on an expense report with receipts.

The General Membership, by simple majority vote, has the authority to approve and amend all policies and procedures adhered to by the Executive Committee, Budget & Finance Committee, Post Finance Officer, Audit Committee, Post Athletics and SJMAD treasurers according to our approved procedures outlined within our By-Laws and Constitution. The General Membership, by majority vote, shall approve/disapprove the annual budget and the revised annual budget at the Budget Category level.

With the exception of SJMAD fund raising activities and Post Athletics donations, any post member in receipt of a donation or any other funds, checks and/or cash, which are contributed to the post are the property of the post and the member is responsible for delivering said funds to the Finance Officer, in a timely manner, not to exceed seven days of the receipt of funds. Donations received as part of SJMAD fund raising activities or Post Athletics will be delivered to the respective program Treasurer(s).

DUTIES AND RESPONSIBILITIES

FINANCE POLICIES AND PROCEDURES

Finance Officer:

The Finance Officer provides financial management, oversight, recommendations, and guidance to the Executive Committee, Budget Leads, Budget & Finance Committee, Audit Committee, Budget Officer, Post Athletics, and SJMAD treasurer(s), in accordance with the Department and Post's Constitution and Bylaws. The Finance Officer is responsible for the overall day-to-day financial transactions including receipts and disbursements from any of the various Post designated bank accounts and the preparation of a monthly bank account reconciliation of each bank account of our post. The Finance Officer will maintain timely and accurate records of the Posts financial status, and report such to the Budget & Finance Committee and Executive Committee at their monthly meetings. The Finance Officer will also prepare and present the current financial status, in an abbreviated and concise manner, to the General Membership at our monthly meeting.

The Post Finance Officer, in conjunction with the Budget Leads and Budget & Finance Committee shall develop and coordinate an annual budget and present it for approval to the Executive Committee and subsequently to a General Membership meeting of the new fiscal year. The mid-year budget, if revised or amended, shall be approved by the Executive Committee and the General Membership.

The Post Finance Officer, in conjunction with the Budget & Finance Committee, shall monitor all Certificates of Deposit and investments instruments and make recommendations to the Executive Committee for any further investment initiatives.

The Finance Officer shall verify that the proper budget account number has been identified for the proper identification of income, expenses, and donations into the Post financial records. The Finance Officer, or designated individuals, will deposit all funds in the proper bank account, update financial records to reflect the nature of the receipt, credit the receipt to the appropriate budget account line number and update our financial records.

The Finance Officer will maintain timely and accurate records of our financial status. The Finance Officer shall provide a monthly detailed transaction report to the Budget Officer no later than the 5th of the month. The Finance Officer shall resolve all potential discrepancies identified by the Budget Leads and/or the Budget and Finance Committee as soon as practicable. The Finance Officer shall present the monthly

FINANCE POLICIES AND PROCEDURES

financial status report prepared by the Budget and Finance Committee to the Executive Committee at their monthly meeting. The Finance Officer will also prepare and present our current financial status in an abbreviated and concise manner to the General Membership at our monthly meeting.

The Finance Officer will review and approve the expense reimbursement in conjunction with the post Adjutant or Commander. The Finance Officer will prepare the check from the proper bank account, update our records to reflect the nature of the expenditure, charge the payment to the appropriate budget account line number and update Post financial records. All checks must be counter signed and contain two authorized signatures (Commander, Adjutant, and Finance Officer) and will be prepared and delivered in a timely manner.

The exception to the above signature rule is the St. James Military Appreciation Day appointed Treasurer(s) and Post Athletic Treasurer who are authorized to sign checks only from the St. James Military Appreciation Fund account and Post Athletics account, respectively. St. James Military Appreciation Fund and Post Athletics checks must be countersigned by any of the following individuals: Commander, Adjutant, Finance Officer, or the designated SJMAD committee and Athletics Treasurer(s).

The Finance Officer may appoint a Budget Officer from within the Budget & Finance Committee to assist with the post's financial management activities. Those duties shall be determined by the Finance Officer.

In accordance with Department of North Carolina American Legion Baseball policy, the Post Finance Officer must be a signatory on the account.

Budget Leads

Budget Leads shall be designated by the Post Commander for each budget account line number. Budget Leads report financial information to the Finance Officer and Budget & Finance Committee and shall submit an annual budget forecast for income, donations, and expenses to the Budget & Finance Committee by April 1 for the subsequent fiscal year. They will also submit any proposed budget adjustments, if applicable, for the mid-year budget review. Budget Leads are responsible for executing the approved/adjusted budget for their assigned budget account line number. Budget Leads must ensure that their approved/adjusted budget account line number is not exceeded, and they must approve all expenditures within their budget

FINANCE POLICIES AND PROCEDURES

account line number(s) on the expense form.

Budget Leads have the authority, with Executive Committee approval, to redistribute funds within their respective budget account line number, provided it does not alter the total amount of the Budget Category.

Budget Leads should review the monthly financial status reports to verify all approved transactions are accurately recorded. The Budget Lead shall identify any discrepancies and notify the Finance Officer as soon as practicable.

Budget & Finance Committee:

The Finance Officer is the Chairman of the Budget & Finance Committee. The Budget & Finance Committee is responsible for preparation of the budget, monitoring of the budget, and recommending to the Executive Committee any changes or alterations to the approved budget. The Budget & Finance Committee shall receive budget requests/adjustments from each Budget Lead. The Budget & Finance Committee shall coordinate proposed budget requests and/or adjustments with the applicable Budget Lead prior to submitting the budget and mid-year adjustments to the Executive Committee for approval. The Budget & Finance Committee shall receive guidance for preparation (e.g., programs; level of detail; expenditure goals (admin. vs program) of the budget from the Budget Leads and the Executive Committee. The committee will also review and make recommendations on Certificates of Deposit and investments to the Finance Officer and Executive Committee. The committee shall also review the annual financial audit report for action, if required. The committee shall review, update, and recommend, as required, changes to the Post's financial management governance. The committee shall also review, vet, and make a recommendation on any prospective charitable organization whom the post is considering for support.

The Finance Officer may designate a committee member to serve as the Budget Officer from within the Budget & Finance Committee. Those responsibilities shall be determined by the Finance Officer.

The duly appointed treasurer for the St. James Military Appreciation Day Committee and Athletics Treasurer shall serve as members of the Budget Committee.

Executive Committee:

FINANCE POLICIES AND PROCEDURES

The Executive Committee is responsible for reviewing and approving all budgets, financial reports, financial policies, and procedures which guide the functions of the Budget Leads, Budget & Finance Committee, Audit Committee, Post Finance Officer, and the SJMAD treasurer(s). The Executive Committee shall provide guidance for preparation (e.g., programs; level of detail; expenditure goals (admin. vs program) of the budget to the Budget Leads and Budget & Finance Committee.

The Executive Committee is responsible for reviewing the monthly financial reports in the level of detail outlined in the budget preparation guidance. The Executive Committee shall prescribe the level of detail for abbreviated financial reporting for the general membership.

Vice Commander, Resource Development:

The Post 543 Vice Commander, Resource Development shall provide overall oversight/ direction of all Post fund raising initiatives. The Chairman, St. James Military Appreciation Day Committee, shall report to the Vice Commander, Resource Development. The Vice Commander, Resource Development may serve as the SJMAD Chairman.

The Vice Commander, Resource Development, with concurrence of the Post Commander, shall appoint the following SJMAD Officers:

- a. SJMAD Chairman
- b. SJMAD Treasurer
- c. Other subcommittee chairs as needed for the successful execution of the annual SJMAD fund raising campaign.

St James Military Appreciation Day Treasurer(s):

The designated and appointed individual(s) shall collect, verify amounts, deposit the funds in the St James Military Appreciation Fund (SJMAF) bank account, update financial records to reflect the nature of the income, receipt, or disbursement of funds and shall report financial information to the Post Finance Officer monthly.

Funds shall be deposited to the SJMAF account and shall be disbursed by the SJMAD Treasurer upon authorization of the SJMAD Chairman. Adequate books of account and financial records shall be maintained by the SJMAD Treasurer.

Post Athletics Officer:

The Post 543 Athletics Officer shall provide overall oversight/ direction of all Post athletic activities. A Chairperson may be appointed for the various athletic programs and shall report to the Post Athletics Officer. The Post

FINANCE POLICIES AND PROCEDURES

Athletics Officer, with concurrence of the Post Commander, may appoint the following:

- a. Baseball Chairman
- b. Athletics Treasurer(s)
- c. Other subcommittee chairs as needed for the successful execution of the athletics programs.

Athletics Treasurer(s):

The designated and appointed individual(s) shall collect, verify amounts, deposit the funds in the Post Athletics bank account, update financial records to reflect the nature of the income, receipt, or disbursement of funds and shall report financial information to the Post Finance Officer monthly.

Funds shall be deposited to the Athletics account and shall be disbursed by the Athletics treasurer upon authorization of the Athletics Officer. Adequate books of account and financial records shall be maintained by the Athletics Treasurer(s).

Audit Committee:

The Audit Committee shall be appointed by the Post Commander under the approved post governance. They are charged to review all financial records (Post, SJMAF, and Athletics) and actions for the previous fiscal year and report the same to the Post Commander. The Audit Report shall be delivered to the Post Commander by the designated date. All Post 543 financial records and documents shall be provided to the Audit Committee by the Post Finance Officer.

The American Legions fiscal year runs from 1 July to 30 June. Due to the timing of the Posts resource development initiatives and Athletics programs, it is difficult to complete an audit of each set of financial records in a timely fashion. The SJMAF and Athletics programs cross fiscal years. As all income and expenses are accounted for and recorded against the approved budget, the SJMAF and Athletics Treasures will provide monthly financial records to the Finance Officer. To simplify the audit procedures, each financial program (Post, SJMAF, Athletics) shall submit their respective financial records to the Post Finance Officer for submission to the Audit Committee to facilitate a completed audit not later than 60 days from program close out date.

FINANCE POLICIES AND PROCEDURES

APPROVAL AND REVIEW DETAILS

Approval and Amendment History	Details
Original Approval Authority	Post Commander
Original Approval Date	10/02/2019
Policy Administrator	Post Finance Officer
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