Delaware General Service Assembly (Area 12)

FINANCIAL MANAGEMENT GUIDELINES

Panel 70 (2020-2021)

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* New Section

(January, 2020)

These guidelines have been compiled from all of the Financial Management related policies and procedures that have been approved by the Delaware Area General Service Assembly. They are to be republished annually by the Chairman of the Finance Committee.

RESPONSIBILITIES OF THE AREA 12 TREASURER

1. Maintains all banking transactions
2. Records and deposits all funds received
3. Executes and records all payments for expenses
4. Maintains financial and bookkeeping records
5. Assures that the accounting for the Assembly and Convention is performed in Quicken, or similar accounting program
6. Prepares and presents financial statements to the Area Committee and the Area Assembly
7. Prepares Federal (IRS Form 990) and State tax filings, if necessary
8. Upon completion of the financial review by the Finance Committee Chair, turns over the original financial documentation to the Area 12 Archives Committee Chair
9. Assures compliance with the Delaware General Service Assembly 501(c)(3) status with appropriate state and federal agencies.
10. Maintain electronic access to the Assembly bank account.

RESPONSIBILITES OF THE FINANACE COMMITTEE CHAIR

1. Compiles budget requests and presents them to the Area Committee.
2. Using Excel, or a similar spreadsheet program, enters data onto the Area 12 Budget form for approval by the Area Assembly
3. Reviews financial statements prepared by the Treasurer
4. Updates "*Financial Management Guidelines"* for approval by the Area Committee and the Area Assembly
5. Ensures an annual review is conducted of the financial records and submits a final report to the Area Assembly at its first meeting in the New Year. *(The outgoing Finance Chair reports that review for a newly elected panel.)*
6. After the annual review, the Finance Chair updates the Area 12 "*Financial Management Guidelines*" to reflect any changes that may have taken place during the previous year, and upon approval of the Area Committee, publishes them to the Area Assembly.
6. Maintain electronic access to Assembly bank account.

THE RESERVE FUND

The Delaware General Service Assembly follows the recommendations set forth in the A.A. Guidelines on Finance published by the General Service Board. The Reserve Fund is the Assembly's prudent reserve. Its principal purpose is to provide the financial resources to continue the essential services of the Delaware General Service Assembly in

the event of an unexpected and substantial reduction in the normal revenues received. Experience has shown that a budgeted ending reserve equal to 30% of the estimated expenses will assure the Assembly will be able to meet its financial obligations during the year.

Cash withdrawals are not permitted. Withdrawals from the Reserve Fund must be by check and approved by the Area Committee and by the Area Assembly. The approvals must be by 2/3 majority.

BUDGET PROCESS

I. PREPARATION

A. At the mid-year Area Committee meeting *(normally held in June)*, The Finance Committee chair will provide budget preparation forms to elected officers and committee chairpersons. The budget preparation forms are to be completed and returned to the Finance Committee chair in person, by mail, or electronically by September 1st.

B. Elected officers and committee chairpersons are responsible for preparing a budget of the expenses for their area of responsibility.

1. Each budget submission shall include a description of the service goals /objectives for the year, or any other information that can justify the budget request.

2. The Area Chairperson shall prepare a budget for any vacant position(s).

C. The Finance Committee reviews the budget for consistency with the Assembly's financial goals and objectives; resolves questions with the officer/chairperson involved; and compiles budget submissions into the Assembly budget. The Finance Chairperson then presents the budget in accordance with the following schedule:

1. **October** – Area Committee discusses the preliminary budget for consistency with both the financial and service goals and objectives of the Area Assembly, and includes its recommendations. The Area Committee may also request budget revisions if it finds reason to believe that a revision is warranted.

2. November - Area Committee reviews revised preliminary budget and votes to present to the Assembly.

3. December – Area Assembly discusses the preliminary budget, and:

a.) Adopts the budget with or without amendments.
b.) Rejects the budget with specific instructions to the Finance Committee for modifications.
c.) Tables the budget for discussion at the next Assembly meeting.

4. January *(if necessary)* - Area Committee reviews any changes made to the preliminary budget, and any revisions that reflect prior year's balances.

5. February *(if necessary)* – Area Assembly votes to approve the annual budget

II. BUDGET REVISIONS

A. Officers and chairpersons may not incur expenses that will result in exceeding their budget. Therefore, before exceeding the budget, the officer/chairperson must submit an explanation of the reason the Finance Committee Chairperson.

B. The Finance Committee chairperson will submit all revision requests to the Finance Committee for review. The Finance Committee may approve any revision that increases expenses up to $500 above budget, provided that the reserve will not drop below the prudent level.

C. The Finance Committee Chairperson reports all budget revision requests to the Area Committee, with the Finance Committee's disposition and / or recommendations, at the next Area Committee meeting.

D. The Area Committee may approve budget revision requests that exceed the Finance Committee's authority, provided that the net increase in expenses from all revision requests does not exceed $1000, and the reserve will not drop below the prudent level.

E. The Finance Committee Chairperson will present a revised budget to the Area Assembly at its next meeting that contains revisions approved by the Area Committee, and those revisions that are being referred to the Assembly for approval.

III. TREASURER'S RESPONSIBILITIES DURING THE BUDGET PROCESS

Throughout the process, the Treasurer serves in an advisory capacity to the officers/chairpersons, Finance Committee, Area Committee, and the Assembly.

DELAWARE GENERAL SERVICE ASSEMBLY BUDGET REQUEST

Calendar Year: _____

Officer:_____Position:_____

Chairperson:_____Committee:_____

JUSTIFICATION:

ESTIMATED EXPENSES:

Literature: _____

Travel:

Air: _____

Mileage @ $.48:_____

Lodging: _____

Registrations:_____

Postage: _____

Supplies: _____

Rent: _____

Printing: _____

Copying: _____

Other (List) _____

_____

_____

Total Expenses: _____

EXPENSE AUTHORIZATION & REIMUBURSEMENT

I. PROCEDURE

The Treasurer is responsible for the payment of all expenses properly incurred on behalf of the Assembly. In order for a payment to be made, the request must meet the following requirements:

A Must be in submitted on the *DGSA Expense Reimbursement Form*, and signed by the Officer/Committee chairperson responsible for the budget to which the expense is to be charged.

B. By signing, the officer/chairperson is to indicate which budget is to be charged. The officer/chairperson is also confirming that there are sufficient funds in the budget to cover the expense, and that it is reasonable, necessary and appropriate for the activities included in that budget

C The request must be accompanied by invoices or receipts except for automobile mileage and expenses under $5.00.

D Requests for reimbursement must be submitted within 45 days for the months of January through November, and 10 days for December.

E The Assembly does not reimburse members for attending Area Committee meetings or Area Assemblies, except that the delegate is eligible for mileage reimbursement to these meetings.

F The Assembly does not reimburse personal expenses for attending the Delaware State Convention.

G. The Assembly uses the mileage rate that the General Service Board established for travel for the annual General Service Conference. The rate as of the date of this publication is $0.48 per mile.

II. REIMBURSEMENT POLICY FOR DELEGATE AND ALTERNATE DELEGATE

A. The Delegate will be reimbursed for travel & lodging expenses for attending the annual General Service Conference that are not paid by the General Service Board.

B. The Delegate will be reimbursed for travel & lodging to attend the Northeast Region Alcoholics Anonymous Service Assembly (NERAASA); The Northeast Region Delegates meeting (NERD); and the Northeast Region Forum (NERF).

C. The Delegate will be reimbursed for mileage expenses to attend Area 12 District meetings, Intergroup meetings, and other A.A. events conducted in Area 12.

D. The Alternate Delegate will be reimbursed for travel & lodging to attend NERAASA, NERD, and NERF.

E. The Alternate Delegate will be reimbursed mileage expenses to attend Area 12 District meetings, Intergroup meetings, and other A.A. events conducted in Area 12, if the Delegate is unable to attend.

III. ADVANCES / PREPAYMENTS

There are few occasions when it will be necessary for the Treasurer to issue a payment in advance of receiving a bill/invoice/receipt. In those cases, the officer/chairperson requesting the payment will be responsible for submitting the bill/invoice/receipt attached to the *DGSA Expense Reimbursement Form* with a request for payment of the balance due. Advances payable to officers/chairpersons will be made only for itemized expenses. All others will be made payable to the actual provider of the goods/services.

IV. EXCEPTIONS

Exceptions to the procedures outlined in this section may only be made by:

A. Area Chairperson and Finance Chairperson, or
B. Area Committee, or
C. Area Assembly.

V. CHECK SIGNING AUTHORITY

Checks are to be signed by either of the following:

A. Treasurer
B. Area Chair

DELAWARE STATE CONVENTION

I. CONVENTION COMMITTEE

A. This committee is responsible for the largest single financial activity for the Delaware General Service Assembly. Funds attributed to the Convention must be kept separate from the "basket money" that supports the Area Assembly.

B. The Convention has a volume of activity during the months leading up to the Convention that requires a faster turn around time in paying expenses than can be reasonably be expected if those expenses had to be submitted to the Area's Treasurer for payment.

C. The Convention Committee has a reserve of $4,500.

D. The Assembly has delegated to the Convention Committee the authority to maintain it's own bank account.

II. RESPONSIBILITIES OF CONVENTION TREASURER

A. Coordinate with the outgoing convention treasurer to accomplish new signature cards for the convention bank account.

B. Coordinate with the convention registrar to ensure registration monies are recorded in the convention bank account.

C. Provide the Convention Chair with monthly financial reports so the Convention Chair can make timely reports to the Area Committee.

D. Alert the Assembly Treasurer when it is apparent that registration income may create a shortfall in the convention reserve fund.

E. Submit all financial documentation to the Area Treasurer so that it can be entered into Quicken, or a similar financial accounting program.

F. At the end of each Convention Committees' tenure the Convention CommitteeTreasurer is to submit to the Area Treasurer:

1. A final financial report for that year's convention.

2. A check for the balance in excess of $4,500

G. Prepare a final convention financial report for the Convention Chair prior to the first Area Assembly scheduled after the convention has occurred.

III. CONVENTION SHORTFALL

In the event the convention final report indicates a loss of funds that impacts the convention's reserve fund, the Area Chair may prepare a motion to be presented at the next Area Assembly for the shortfall to be covered by funds from the Assembly's reserves so that the Convention reserve fund is replenished to $4500. Approval of such a motion requires a 2/3 majority.

THE ANNUAL FINANCIAL REVIEW

At the end of each calendar year, the Finance Committee Chair shall ensure completion of a review of Area 12 Assembly and Convention financial records to check for accuracy and completeness in accordance with the following:

1. Obtain all financial documentation from the Assembly Treasurer and the Convention Treasurer to include: bank statements, check registers, deposit slips, expense forms, receipts, cancelled checks, previous two years finacial review reports.

2. Confirm that financial activity for the Assembly and the Convention has been entered into Quicken, or a similar accounting program.

3. Confirm that balances in Quicken have been reconciled to the monthly bank statements.

4. Review deposit records to determine any discrepancies with the bank statements.

5. Review expense documentation to ensure the proper budget line has been used.

6. Review entries in Quicken to ensure budget categories documented are consistent with those in the Assembly budget

7. Compare current year income and expense figures with previous two year financial review reports to ensure comparisons are balanced.

8. Submit findings, in writing, to the Area 12 Corporate Board and to the Area Assembly at their first meeting in the New Year.

RECORDS RETENTION GUIDELINES

I. DELEGATION OF RESPONSIBILITIES

During the course of each two-year panel, it is the responsibility of the Secretary to maintain the current Corporate records, and the Treasurer to maintain the current Financial Records, as listed below. Upon the completion of each two-year panel, AND the acceptance of the Financial Management Review by the Area Assembly, the Secretary and Treasurer are to turn their records over to the Archives.

The Archives Committee is to store and organize these records so as to make them available to AA members upon reasonable request. Each such access is to be supervised by a member of the Archives Committee. The only members authorized to remove records are the current Delegate, Area Chair, Secretary and Treasurer. The Archives Chair is to approve each such removal and maintain a log of each removal showing what, by whom, when removed and when returned.

II. RECORDS RETENTION SCHEDULE

The Archives Committee will retain the records for the times specified in the following outline. The time retained is to be calculated from December 31st of the year that the Panel in questions term expired.

A. Corporate Records

- Minute Book – Assembly & Area Committee Permanent
- Minute Book – Corporate Board Permanent
- By-Laws Permanent
- Incorporation Filings – Federal & State Permanent
- IRS Non-Profit Status Confirmation Letter Permanent
- Insurance Policies Permanent

B. Financial Records

- Annual IRS 990N Filing Permanent
- Annual Financial Statements with Financial Review Permanent
- Annual Accounting System Reports Permanent
- Annual Income & Expense Category Detail Report Permanent
- Quarterly Financial Statements w/Accounting System Reports 7 Years
- Monthly Bank Statement w/Reconciliation Reports 7 Years
- Annual Register Reports for E ach Balance Sheet Account 7 Years
- Deposit Slips 7 Years
- Bills/Expense Reports 7 Years

New – January, 2020

Delaware General Services - EXPENSE REPORT

Name:

Office/Committee:

Deducted from what Budget?

To Be Paid To:

Address

Phone/Email

	Expense Description	Miles @ .48	Cost
Travel to Assembly			
Travel to Districts			
Travel Other (Excluding NERAASA,NERD,NERF)			
Assembly Rent			
Committee Rent			
Mini-Conference Rent			
Workshop Rent			
Copying			
Printing			
Office Supplies			
Food Costs			
Food Related Supplies			
Hardware/Software			
Literature Purchases			
Postage			
Tolls & Parking (Excluding NERAASA, NERD, NERF)			
Workshop Materials			
Circle Event: NERAASA NERD NERF			
Service Event Travel			
Service Event Registration			
Service Event Lodging			
Service Event Meals			
Other -			
Other -			
Other-			
		TOTAL:	

Submitted By Signature: Date:

Treasurer Signature: Date:

Check #: