

### **Proposed Change #1**

Submitted by: Michael Ryan

Article Eleven, Finances, Item 2, strike through last sentence. After Item 4. Annual Budget

Current wording: No changes; rename paragraph 5 to paragraph 6 and add new Paragraph 5.

### **ARTICLE XI – FINANCES**

- A. **FISCAL AND FINANCE** It is important that the fiscal and financial integrity of the Detachment be carefully guarded to inspire confidence among members and potential donors. The Howlin' Mad Smith Detachment is a non-profit organization as defined under 501 (c) 4 of the Internal Revenue Code, and financial compliance is essential to avoid legal complications and possible loss of non- profit status. The paymaster shall ensure that all IRS forms and reports are submitted within the required time frame.
1. **Checking Account** Detachment funds shall be kept in a federally insured account. The Detachment Paymaster shall maintain the account, receive deposits, issue checks and maintain Detachment financial records. The Paymaster and the Commandant shall have signature authority on the checking account.
  2. **Reimbursements** The Paymaster may issue checks to reimburse officers and members for authorized expenses and purchases made on behalf of the Detachment upon presentation of valid receipts. Receipts shall be maintained in the Paymaster files. ~~Upon being presented with a valid receipt by the standing Commandant the detachment shall reimburse the Commandant for his lodging at the State Convention.~~
  3. **Expenditure Limits** The Commandant may authorize expenditures not to exceed \$100 per event, not to exceed three events in any calendar month. Expenditures greater than \$100 must be approved by the Finance Committee and the Detachment membership. Funds collected for a specific purpose and identified as such shall be expended only for that purpose and are exempt from this limitation. Some examples are donations for a specific charitable cause, Birthday Ball funds and scholarship funds.
  4. **Annual Budget** The paymaster shall work with the Finance Committee to develop an annual budget to be presented at the June meeting for approval by the membership. The budget year shall run from July 1<sup>st</sup> through June 30<sup>th</sup>. The approved budget shall serve as a guideline for detachment expenditures for the year.
  5. **Delegation Expenses** Upon approval by the BOT, the Detachment shall reimburse the expenses incurred by the Detachment Commandant or his/her authorized representative for attending the Department Convention, Division Conference, National Mid-Winter Conference, and National Convention. This would also apply to any other meeting or conference that will benefit the Detachment or is required by higher authority such as the Department. The Commandant or his/her representative may attend these conference or conventions and participate and learn from these experiences. Upon return a report should be provided the BOT and membership. If flying, reimbursement is limited to the lowest possible coach class airfare and will

only be used when driving is not practical due to distance. Meals are limited to a maximum of \$45 per day and alcohol will not be included. Mileage shall be limited to the Internal Revenue Service (IRS) mileage rate. Rental vehicles are not authorized. Convention registration fees and banquet fee will be reimbursed. Other social activities will not be reimbursed. Hotel accommodations will be reimbursed at the convention site hotel rate. If another hotel is used, it will not be reimbursed for a rate higher than the convention hotel rate. Receipts for every expenditure must be provided for reimbursement. A travel claim and receipts must be provided to the Paymaster. These claims must be reviewed and approved by two officers. Only mileage is approved for travel to the regular Department Quarterly meeting. Travel by taxi or comparable transportation is only authorized between the airport and conference location.

6. **Audits** The Board of Trustees shall appoint an audit committee at the April meeting to conduct an annual audit of Detachment funds and property. The committee shall be composed of no less than three members. The committee shall report their findings to the membership at the June meeting.