

FINANCIAL POLICY

District 24 of the Southern Minnesota Area Assembly of Alcoholics Anonymous

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SECTION ONE: FINANCIAL POLICY

1. The purpose of this document is to bring together, under one cover, all financial policies of District 24 of the Southern Minnesota Area Assembly. It is meant to be general in nature; the guiding principles are to be found in the A.A. Service Manual and The Twelve Steps and Twelve Traditions.
2. In order to promote uniformity and continuity of financial policy for District 24 of the Southern Minnesota Area Assembly within the service structure guidelines set forth in the A.A. Service Manual. The District has a primary purpose - *to carry AA 's message of recovery to the still suffering alcoholic.*
3. In order to meet this primary purpose, the following are of paramount importance:
 - a. To preserve and protect the service structure of Alcoholics Anonymous so we can be assured this program will be available to those who follow.
 - b. To provide a means of communication within the fellowship so all AA members can be aware of current events and concerns throughout the fellowship.
4. To accomplish the above objectives, we must have officers and standing committee chairpersons, as outlined in the A.A. Service Manual. It necessarily follows there must be meetings of the Committee and Standing Committees. Money must be provided for reimbursement of our trusted servants for the expenses incurred in carrying out the needed services. These expenses consist of (but are not limited to) travel expenses, materials and supplies, and meeting places necessary to carry out these services.
5. The Officers are the custodians of the funds provided and must show extreme diligence and prudence in spending these funds. They must be able to assure the membership maximum return is being obtained for the moneys expended. The funds are to be used judiciously and wisely - for the benefit of the general membership. Above all, we must remember to trust our "trusted servants".
6. Specifically, policies will be addressed in the following general categories:
 - II. Budgeting Process
 - III. Treasurer's Responsibility & Banking Procedures
 - IV. Self-Support
 - V. Expense Reimbursement
 - VI. Expenditure Approval
 - VII. Limitation of Accumulated Funds
7. This Financial Policy may be amended by a two-thirds vote of the District.

SECTION TWO: BUDGETING PROCESS

1. District 24 of the Southern Minnesota Area Assembly will, as much as reasonably possible, conduct its business through the use of budgets. The primary vehicle of the budgeting process will be an annual master budget presented to and approved by the entire District. Changes in an already approved budget can be made by the District officers; even material changes (greater than \$50.00) only need District Steering Committee approval.
2. The District Committee Member (DCM) *(or person DCM selects responsible for this task) (herein)*, referred to collectively as "DCM" for the purpose of this Section Two, will have primary responsibility for preparation of the annual budget. The DCM shall call upon each Standing Committee Chair and Officer to prepare an itemized budget for each standing committee, officer and district project.
3. These itemized budgets should be realistic listings of the expenses expected to be incurred by the committee or officer in the process of fulfilling their respective duties. They can be itemized by project, process or type of expense, as long as the itemization will facilitate the subsequent charging of expenses to the budget.

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4. In determining whether moneys should be budgeted for a particular project, guidance should be sought from the three primary objectives of District 24 of the Southern Minnesota Area Assembly, as described in Section One. (#2, 3a, 3b)
5. The individual committee, project and officer budgets will be collected by the DCM and combined into an overall District Budget. It will be determined at this time what adjustments will be necessary in order to make the District Budget realistic when compared to the expected level of contributions and reviewed by the Finance Committee.
6. After the DCM has made all adjustments to the worksheet of the financial report, and has combined them into an overall budget, both the overall budget and the worksheet of the financial report shall be sent to all officers and standing committee chairs approximately 60 days prior to the District Meeting that the budget will be voted on, and be included in the Newsletter.
7. The combined Budget will then be brought before the District for its consideration and approval. Once approved, expenditures made for projects included in the budget will not need subsequent approval by the district.
8. Availability of sufficient District funds should still be checked before incurring expenses. (See Section Four - Expenses Reimbursement Policy)
9. In budgeting for communication within the fellowship, as much as possible consideration shall be given to using the existing general service structure as well as the District Newsletter.

**SECTION THREE:
TREASURER'S RESPONSIBILITY & BANKING PROCEDURES**

1. All District funds shall be maintained in bank accounts in the name of District 24 of the Southern Minnesota Area Assembly. All Expenditure from accounts shall require the signature of two of the following officers: DCM or Treasurer. As a matter of policy, none of these officers shall sign blank checks.
2. In the case of insufficient funds to pay any debts incurred, the Treasurer shall immediately inform the DCM. The DCM shall be the final arbiter in prioritizing outstanding bills according to the procedure outlined in the section "Limitation of Accumulated Funds".
3. The Treasurer will be responsible for informing groups and individuals that their contribution was received via a Thank You in the District 24 newsletter.
4. The Treasurer shall prepare a monthly trial balance sheet showing all contributions expenditures, checking account balance and known unpaid and future liabilities of the District. The trial balance sheets shall be available to any member of Alcoholics Anonymous at each District Meeting. At these meetings, the Treasurer shall not be required to issue any checks against expense reimbursement requests received at that meeting, but may do so if it can be done in an orderly fashion.
5. The Treasurer shall, upon receipt of the monthly banking statement reconcile the records to the statement and forward a copy of this reconciliation to the DCM and the Finance Chair.
6. The Treasurer shall publish in the District Newsletter, in a format agreeable to both the Treasurer and Editor, an accounting summary listing group contributions received since the last issue of the newsletter, the checking account balance, a total list of all expenses paid since the last newsletter, and a listing of all expenses incurred but not yet paid.
7. The Treasurer shall maintain a Financial Data Notebook which contains the budget as approved by the District Assembly, a list of all contributions received, a listing of all expenses paid and accounting of each budget item against which expenses have been charged.

8. The Treasurer shall make available the Financial Data Notebook and the most recent checking account reconciliation to any members of Alcoholics Anonymous for their inspection.
9. Requests for reimbursement shall be submitted on a form provided by the Treasurer. It is recommended that reimbursement forms be submitted to the Treasurer on a monthly basis to insure that the necessary funds are available.
10. Disbursements of funds for reimbursement of expenses incurred by Officers and Committee Chairs shall be handled in a timely manner. Whenever possible the Treasurer will distribute reimbursements within two weeks of receiving them. In the event that funds do not permit reimbursement within this timeframe, the Treasurer will notify the DCM and Finance Committee Chair promptly. The Treasurer will then disburse funds when they become available according to the guidelines set forth in Section Seven (#2).
11. The District will accept contributions using the same guidelines as the General Service Office of Alcoholics Anonymous. Individuals may contribute no more than the maximum allowed by the General Service Conference. Individuals who wish to remain anonymous will have their contributions recorded as "Anonymous AA's". The Treasurer will ensure that no single individual yearly contribution exceeds the maximum allowed.
12. Individuals who have reimbursable expenses but do not wish reimbursement will receive an acknowledgment of their "in kind" contribution equal to the amount shown on the submitted documentation. These "in kind" contributions may also be kept anonymous, following the procedures outlined in item twelve (12) of this section.
13. The Finance Committee shall be responsible for all self-support efforts and will meet periodically to assess and develop Self-support efforts. At these periodic meetings, the Finance Committee shall also review the Treasurer's records.
14. No officer or committee chair will embark on an approved or approved project costing more than \$50.00 without first consulting the Treasurer to see whether funds are available. In case of conflicting requests for money, the approval of the DCM must be obtained. The Treasurer is to make note of the proposed expenditure, in order to be able to track the financial condition more accurately.

SECTION FOUR: SELF-SUPPORT

1. The Finance Committee will be charged with periodically preparing and distributing a self-support letter or notice in the newsletter.
2. The typical self-support letter or notice, in addition to requesting contributions and serving as a reminder of the Seventh Tradition shall spell out in detail what projects the District is involved with, and the focus on where the District expects to expend the requested contributions.
3. While the responsibility for preparing and distributing the self-support letter or notice in the newsletter shall reside with the Finance Committee, the primary responsibility for soliciting group contributions lies with each trusted servant -- in direct proportion to the group conscience he or she serves. Thus:
 - a. The General Service Representative has the key responsibility for informing the group of the need and opportunity to contribute.
 - b. The District Committee Member is responsible to ensure all groups within his or her District are informed of the Districts' financial situation as well as the nature of the projects the District is coordinating.
 - c. District Officers and Standing Committee Chairs are responsible not only for informing the District of funding needs but also ensuring the funds are expended prudently and wisely, in adherence with the District 's collective group conscience.

SECTION FIVE: EXPENSE REIMBURSEMENT

1. Expenses incurred by members of the District Committees in the course of District business shall be reimbursed. Generally, expenses incurred will be in furtherance of a project or committee expenditure already approved within the District Budget by the District. Thus, when completing an expense reimbursement form, it should be indicated what project or committee the reimbursement should be charged against. This will relieve the District Treasurer of trying to guess where in the itemized budget a particular expenditure has been approved
2. The authority to spend District funds carries with it a concurrent responsibility to ensure the funds to be disbursed are available.
3. Thus, any expenditure of District funds in excess of ~~\$100.00~~ ^{\$56.00} should be cleared with the District Treasurer prior to incurring the expense, (see Section Three -- #16). In case of regularly occurring expenditures, the Treasurer can be provided with a schedule of anticipated costs and their approximate dates, rather than contacting the Treasurer on each occasion.
4. Contracting with outside vendors brings the name of Alcoholics Anonymous into the public, thus it is vital to obtain prior expenditure approval when dealing with vendors outside the fellowship.
5. The following shall act as a guide in reimbursement of expenses incurred:
 - a. For items greater than \$25.00, receipts shall be presented with the reimbursement form in order to be reimbursed. (Exceptions may be approved by the DCM)
 - b. Mileage shall be reimbursed at the IRS charitable rate and this will be varied as the rate change. (currently \$0.14 mile.)
 - c. Car pooling is encouraged so reimbursement for mileage is based on a minimum of three District 24 people in a car. When car pooling, only the driver shall be reimbursed for mileage.
 - d. Hotel room reimbursement for the Officers and the Standing Committee Chairs shall be made for two (2) nights at the West Central Regional Service Conference and Forum. Based on District funds this policy may be altered to be more restrictive during the budgeting process.
 - e. Hotel room reimbursement shall be based on single room occupancy rates, unless the room is shared by other trusted servants, in which case reimbursement shall be paid on a prorated basis. It is strongly encouraged that rooms are shared whenever possible.
6. All District Committees will be reimbursed by District Funds for expenses incurred in the transportation and storage of their displays at round-ups and functions they have been requested to attend. This will include hotel room reimbursement when necessary.

SECTION SIX: EXPENDITURE APPROVAL

1. Prudence is of the utmost importance in spending the District's funds. Therefore, the following guidelines have been set forth for the approval of expenses:
 - a. When a Standing Committee Chair or Officer requires approval for an expense that is in excess of \$50 that has not previously been approved by the District Committee as a budget item, the proposed expense must be presented to the entire District and approved by a 2/3 majority before it may be incurred.
 - b. Expenditures that are outside of a committee's budget but below \$50 must be carefully considered by the DCM and the Treasurer. If the requested amount warrants review by the Committee, the DCM may consult with other Officers or Standing Committee Chairs and may place it on the next District Meeting agenda for discussion.

**SECTION SEVEN:
LIMITATION OF ACCUMULATED FUNDS**

1. The total amount of the Prudent Reserve shall be \$250.00.

2. In the absence of sufficient operating funds to cover expenses, the Prudent Reserve shall be used to pay expenses according to the following priority:
 - a. Vendor Accounts
 - b. District Operating Expenses
 - c. Committee Expenses
 - d. Travel Expenses

*This is the approved final as of _____, 2009.
Annette Ward
District 24 Finance Chair*