



Department
of Florida



Finance Officer Training

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2026 DEPARTMENT OF FLORIDA

DEPARTMENT CONVENTION

www.floridalegion.org

Introduction

Finance Officer Training

Introduction

- The **first section** concerns itself with understanding the **Post Finance procedures** in order to perform finance accounting for the American Legion Post.
- The **second section** concerns itself with the Audit requirement of an American Legion Post.
- The **third section** serves as a reference guide for various Federal Regulations and State Statutes that pertain to Post finance questions that will arise.

Post Finance Procedures

Finance Officer Charge

“You are the keeper of the moneys, and in you is reposed the financial policy of the post. To you is given charge of the year’s budget, and to you is given the duty of the payment of all obligations when proper authorization has been given for such payment. Your position is an important one, demanding integrity and honesty. Your election to this office signifies your fellow members’ implicit trust in you. Guard well that trust.” (LEGION.ORG 2024 Officer’s Guide and Manual of Ceremonies)

Post Accounting Records

- Nonprofit
 - Operates for broad public good
 - More tax benefits – Donations tax-deductible
 - Charities, Foundations, Social Welfare organizations
- Not-for-Profit
 - Serve the interest of the members
 - Can not deduct donations
 - Fraternities, Home Owner Associations, Chamber of Commerce

Chart of Accounts

- 1000 Assets
- 2000 Liabilities
- 3000 Equity
 - Restricted Assets
 - Unrestricted Net Assets
- 4000 Income
- 5000 Expenses
- 6000 Specific Expenses
 - Admin
 - Salaries
 - Programs/major events
- 700 Series Other
 - Building Expenses

Post Accounting Records

- Cash and accrual accounting
- Continuity in accounting
- Payroll procedural suggestion
 - **Does Post have Volunteers, Employees, or Independent Contractors?**
- Budget preparation and control

Tax Returns **!! IMPORTANT!!**

- Newly chartered posts
- Tax exempt status – The American Legion Post IRS Inclusion Letter to Legal@Legion.org
- Tax on unrelated business income Form 990T
- Incorporation by State of Florida - **renew Jan 1st - May 1st**
- Return of Organization Exempt from Income Tax Form 990
- Restricted vs Unrestricted Donations

Tax Returns

Copyright (ASCAP, BMI, ETC.)*

The subject of compliance with copyright laws and the payment of royalties for the performance of musical or other works at a local Post is a very technical one. United States Law generally provides for royalties to compensate a writer, artist, or composer for this work, talent and genius. Lawsuits have been filed against Posts for violating copyright laws.

- Make sure your Post or the DJ has documentation showing approval to play the music.
- More information can be found by searching the internet for “DJ's and music royalty requirements”.

Budget – Provides Financial Road Map

- Review Narratives of Income, Expense, Programs - recommend any changes that are needed to Executive Committee.
- The Narrative Report has columns labeled Ledger #, Name of Account, Narrative, 3 or 5 year average, Oldest Year (22-23) Next Year (23-24) Last Year (24-25). The current year IS NOT part of 3 year average. (See slide 11 for example of Narrative Report)
- Review Current Year Budget numbers to Actual amounts. Using Narrative report and current year vs budget amount determine proposed next year budget dollar amount. (See slide 12)
- Present Narratives of Income, Expense, Programs changes and proposed new year Budget to the Executive Committee.

Florida American Legion Post ???

2025 - 2026 Budget Narrative Report

Ledger #	Items Summary	Narratives Income Expense	3 Year Avg (Actual)	22-23 (Budget)	22-23 (Actual)	23-24 (Budget)	23-24 (Actual)	24-25 (Budget)	24-25 (Actual)
106	Post Raffle	Funds collected for 50/50 raffles	Formula \$600	\$600	\$500	\$600	\$700	\$650	\$720
110	Bingo	Bingo funds rec'd	Formula \$180	\$280	\$120	\$280	\$200	\$280	\$220
303	Telephone & Internet	Expense for WIFI and phone	Formula \$93.33	\$100	\$50	\$130	\$120	\$130	\$110
340	Boys State	Delegate Fees Paid	Formula \$266.67	\$500	\$200	\$500	\$300	\$400	\$300
Col A	Col B	Col C	Col D =Sum (FR+HR+JR)/3	Col E	Col F	Col G	Col H	Col I	Col J

Florida American Legion Post ???						
2025 - 2026 Budget						
Ledger #	Items Summary Income & Expenses	Budget 2025/2026	Actual 12/31/25	Budget 2026/2027	Proposed 2026/2027	Notes
106	Post Raffle	\$600	\$600	\$	\$700	
110	Bingo	\$300	\$280	\$	\$280	
	Total Income	\$900	\$880	\$	\$980	
303	Telephone & WIFI	\$130	\$60	\$	\$500	
340	Boys State Expense	\$500	\$500		\$500	Sending 1 Delegate
	Total Expenses	\$630	\$560	\$	\$1000	
	Net Income/(Loss)	\$270	\$320	\$	(\$20)	

Post Audits - Verifies Post Financial Reports

- Appointment of the Post Auditing Committee
- Selection of a “Qualified Public Accountant”
- Duties of the Auditing Committee
 - Planning Stage
 - Internal Control Stage
 - Testing Stage
 - Reporting Stage

Post Audits

- Suggested schedules to be included in the Audit Report
 - Statement of Activities (Income Statement)
 - Statement of Financial Position (Balance Sheet)
 - Statement of Cash Flows
 - Statement of Functional Expenses
- Suggested guidelines in the preparation of the Annual Report by the “*Qualified Public Accountant*”

Post Audits | Scope of Audit

- The verification of all cash, including the examination of all bank accounts, and statements, stocks, bonds, and other tangible assets.
- The auditors examine the accuracy of the financial statements. This is accomplished by verifying transactions, overseeing procedures, or requesting more information

Post Audits | Inventory Certificates

- Substantiated, detailed records should be retained, therein indicating quantities on hand and pricing methods used, in arriving at the total inventory valuation.
- Current valuation of inventories become a very important factor in ascertaining accurately the cost of goods sold in each and every category.

Florida Statute 496 Solicitation of Funds

- Any division, department, post, or chapter of a veterans' service organization granted a federal charter under Title 36, United States Code are exempt from annual requirements of Statute 496.405.
- If Post solicits contributions for a specific disaster if \$50,000 or more is collected, quarterly financial statements must be submitted.
- If a request is for financial statement is received, the written financial statement must be provided within 14 days after the request was received.
- Contributions solicited for a named individual must be put into a trust.

Finance References

- [IRS.Gov](https://www.irs.gov)
 - Charities and Nonprofits
 - Form 8822-B Change of Address or Responsible Part
 - Form 990 Return of Organization Exempt From Income Tax
- <https://floridarevenue.com> Application for Consumer's Certificate of Exemption Instructions
- <https://dos.fl.gov/sunbiz/manage-business> File Corporation Annual Report
- <https://dos.fl.gov/sunbiz/search/> Search for Corporations, Limited Liability Companies, Limited Partnerships and Trademarks
- <https://www.501c3.org/misappropriating-nonprofit-funds/>
- Florida Statutes – Chapter 849 Gambling
 - Florida Statutes 849.0931 Bingo authorized; conduct; permitted uses of proceeds; limitations
 - Florida Statutes 849.0935 Charitable, nonprofit organizations; drawing by chance; required disclosures; unlawful acts and practices; penalties
- Florida Statutes Chapter 496 Solicitation of Funds
- IRS Publication 3079 (Rev. 10-2018) Tax-Exempt Organizations and Gaming

Questions?

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