

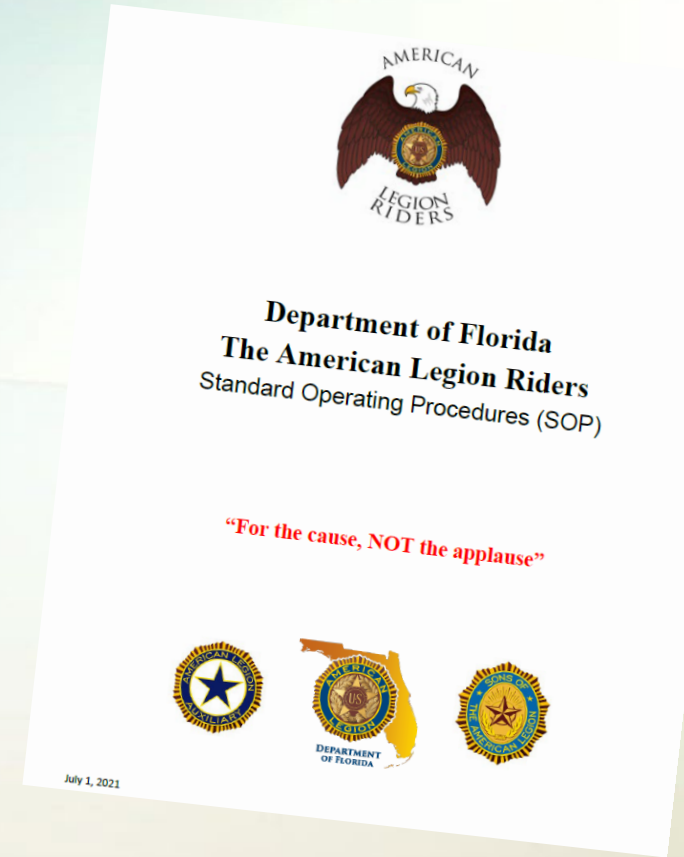
# AMERICAN LEGION RIDERS

## FINANCE OFFICER TRAINING

Bob Matheson  
2<sup>nd</sup> Vice Commander



# As the Finance Officer of my Chapter, What should I know and what are my Responsibilities?



# ARTICLE V

## American Legion Riders SOP-Updated 11-24

### Section 10. Finances

- a) Finances will be derived from Membership Dues, sale of approved merchandise and such other revenue sources as approved by the ALR General Membership.
- b) Checks issued by the ALR Chapter must have the Post Finance Officer or their designee as one of the signatories on the bank account. The ALR Chapter may decide the other Chapter signatories on said instrument.
- c) The ALR Chapter Finance Officer must file a financial statement detailing receipts and disbursements, each month with the Post Financial Officer, which will be reported to the Post General Membership.
- d) An ALR Chapter may not incur any debt in the name of Post without prior approval of the Post membership documented in the Post Memberships minutes.
- e) The ALR Chapter of a Post is a subordinate organization to the sponsoring Post which is a non-profit organization and a tax-exempt Corporation under the laws of the State of Florida.
- f) Should the ALR Chapter be dissolved or suspended, all funds and assets will be immediately turned over to the sponsoring Post for disposition.





**a) Finances will be derived from Membership Dues, sale of approved merchandise and such other revenue sources as approved by the ALR General Membership.**

- Membership dues
  - Each Chapter sets the amount of their dues
  - Each Chapter decides whether they have a PUFL program
- Sale of Approved Merchandise
- Other Revenue Sources
  - Poker Runs
  - Raffles
  - Dinners, etc.



**b) Checks issued by the ALR Chapter must have the Post Finance Officer or their designee as one of the signatories on the bank account. The ALR Chapter may decide the other Chapter signatories on said instrument.**

- Open a checking account
  - Must be approved by the general membership
  - State the signatories
  - Information must be included in the official minutes
- Existing checking account
  - Submit ALR minutes showing the newly elected officers to the bank to change signatories as needed
- Recommend obtaining a Debit Card
  - **American Legion Riders Post XXX**
- Recommend the usage of 2 signatures



**c) The ALR Chapter Finance Officer must file a financial statement detailing receipts and disbursements each month with the Post Financial Officer which will be reported to the Post General Membership.**

- Provide a full accounting of the Chapter's Finances
  - Submit to the Post Finance Officer monthly
  - Include deposits and disbursements
  - Identify all expenditures
  - Reconcile bank statement monthly
- Retain receipts
- Report cash donations at Year End to Post Adjutant/Commander by May 1<sup>st</sup>, 2025



**d) An ALR Chapter may not incur any debt in the name of Post without prior approval of the Post membership documented in the Post Memberships minutes.**

- The Post retains financial responsibility of every entity using their EIN
- The Post General Membership ONLY
  - Can Pledge assets to incur debt
  - Must be Approved at the Post General Membership Meeting



**e) The ALR Chapter of a Post is a subordinate organization to the sponsoring Post which is a non-profit organization and a tax-exempt Corporation under the laws of the State of Florida.**

- Employer Identification Number (EIN) issued to each Post by the IRS
- ALR is a program of the Post and operates under the Post's EIN
- The Post is Non-Profit & Tax Exempt – 501(c)(19) War Veteran's Organization
- Each Post is Required to file IRS Form 990 (Non-Profit Tax Return)
  - IRS can revoke the Non-Profit Status if Return is not Filed
  - Failure to file - Post considered a **For-Profit** Company
  - American Legion Riders will NO longer be a Non-Profit Organization
- FL Dept of Revenue issues the Consumer's Certificate of Exemption





**f) Should the ALR Chapter be dissolved or suspended, all funds and assets will be immediately turned over to the sponsoring Post.**

- Funds & Assets belong to the Post
  - Operate under the Post's EIN
  - ALR is a program of the Post
- Spend down funds as pledged
- As the Post Finance Officer or other designee is a signatory, permission may be required



# Section 7. Duties, 3B Finance Officer


## **Finance Officer:**

- i. Maintains accurate records of all transactions by the sponsoring Post's financial requirements.
- ii. Deposits funds in an assigned bank-account and disburses funds as approved by the Chapter and directed by the Post.
- iii. Provides financial reports to the sponsoring Post Executive Committee monthly.
- iv. Collect dues as required



# Secure a Copy of the Post's Consumer's Certificate of Exemption

000093 08/16/19

 **FLORIDA** Department of Revenue

**Consumer's Certificate of Exemption**  
Issued Pursuant to Chapter 212, Florida Statutes

DR-14  
R. 01/18

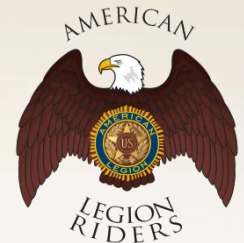
85-8012668457C-2	10/01/2019	10/31/2024	VETERANS ORGANIZATION
Certificate Number	Effective Date	Expiration Date	Exemption Category

This certifies that

is exempt from the payment of Florida sales and use tax on real property rented, transient rental property rented, tangible personal property purchased or rented, or services purchased.

- Will Allow the Chapter to make purchases free of sales tax
- May save on sales tax @ Convention, Summit, Conference dependent upon method of payment\*

\*Must use an American Legion or ALR check or credit/debit card



# How Do I Record Donated Items?

- Item is Donated for Auction/Raffle
- Item is Considered an Asset & Contribution Revenue
- Contribution Revenue must be reported on Schedule G of the IRS Form 990 \*
- **\*REPORTING of DONATED ITEMS – Schedule G, IRS Publication Form 990 (Separate Document)**
- Provide Receipt to Donor





# Example of a Donation Receipt



## Port Tampa, Florida – Chapter 138

The American Legion Riders – Chapter XX is having a charity event and after expenses, the net proceeds will be donated to various Veteran's and Community charities. Past events have been successful only because of your participation. We want to thank you in advance for any contribution you or your company/organization can make.

Your gift is classified as received under Section 501(c)(3) of the Internal Revenue Code. This gift is tax deductible to the full extent allowed by IRS tax law. The receipt at the bottom of this letter can be used for tax purposes.

Thank You,

---

Donation Receipt – Tax ID 59-6200897  
American Legion Riders – Chapter 138 Charity Event

### TAX VERIFICATION FORM

Name/Company: \_\_\_\_\_  
Address: \_\_\_\_\_  
Telephone Number: \_\_\_\_\_  
Donated Item: \_\_\_\_\_  
Dollar Value of Donated Item: \_\_\_\_\_  
Dollars Donated: \_\_\_\_\_  
Date: \_\_\_\_\_  
Verified by: \_\_\_\_\_  
(Representative for American Legion Riders – Chapter 138)



# Reporting Cash Winnings over \$600.00

- IRS Requires that Income Tax be Withheld
  - Consult your tax accountant
  - Rates may vary
- Sponsoring Organization is responsible to withhold
- IRS has the ability to demand the taxes not withheld from the Post
- Non-payment could result in a tax lien



# PERSONAL DONATIONS

YOUR PERSONAL DONATIONS MAY **NOT** BE COUNTED AS A PART OF YOUR CHAPTER'S CASH DONATIONS. THIS WOULD INCLUDE EXPENSES SUCH AS:

- \*RAFFLE TICKETS
- \*FOOD PURCHASES
- \*AUCTION ITEMS
- \*REGISTRATION
- \*ETC.

*THESE EXPENSES MAY BE COUNTED AS "CHARITABLE CONTRIBUTIONS" ON YOUR PERSONAL TAX RETURN.*



# QUESTIONS??

