



Department  
of Florida



# Finance Officer Training

Instructor: Shirley Douglas,  
Department Finance Officer

2025 DEPARTMENT OF FLORIDA

# FALL CONFERENCE

[www.floridalegion.org](http://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](mailto:Legal@Legion.org)
- Tax on unrelated business income Form 990T
- Incorporation by State of Florida - **renew Jan 1<sup>st</sup> - May 1<sup>st</sup>**
- 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 DJ has documentation showing they are approved to play the music.
- DJ's are typically responsible for paying for performance royalties.
- 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 (21-22) Next Year (22-23) Last Year (23-24) Current Year (24 – 31 Mar 25) current year IS NOT part of 3 year average
- Review Current Year Budget numbers to Actual amounts. Using Narrative report and current year vs budget amount determine proposed next year budget dollar amount.
- Present Narratives of Income, Expense, Programs changes and proposed new year Budget to the Executive Committee.

# 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.

# 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; conditions for conduct; permitted uses of proceeds; limitations
  - Florida Statutes 849.0935 Charitable, nonprofit organizations; drawing by chance; required disclosures; unlawful acts and practices; penalties
- IRS Publication 3079 (Rev. 10-2018) Tax-Exempt Organizations and Gaming

Florida American Legion Post ???						
2025 - 2026 Budget						
Ledger #	Items Summary	Actual 2023/2024	Budget 2024/2025	Actual 03/31/2025	Budget 2025/2026	Notes
106	Building Rental Expense	\$600	\$600	\$500	\$700	
201	Stationary/Printing	\$300	\$280	\$120	\$280	
203	Telephone & Internet	\$83	\$100	\$50	\$130	
250	Buys State	\$500	\$500	\$200	\$500	



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# Questions?

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Please leave feedback.