

United States Submarine Veterans, Inc

Groton Base

Finance

Policy & Procedure

Manual



OUR CREED:

“To perpetuate the memory of our shipmates who gave their lives in the pursuit of their duties while serving their country, That their dedication, deeds, and supreme sacrifice be a constant source of motivation towards greater accomplishments. Pledge loyalty and patriotism to the United States of America and its Constitution.”

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Finance Management Policy and Procedure Manual Change Record Sheet

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Record of Change Page

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UNITED STATES SUBMARINE VETERANS GROTON BASE FINANCIAL MANAGEMENT

1 Introduction

The USSVI Groton Base operates as a single not-for-profit corporation under the laws of the State of Connecticut. It is exempt from U.S. Federal income taxes under section 501(c) (19) of the Internal Revenue Code (Federal Tax I.D. # 95-4830806). This is the USSVI Groton Base Finance Policy & Procedure Manual that will govern the financial procedures of the Base. The basis and guiding accounting principles for all fiscal and fiduciary policy and practices of all USSVI Groton Base financial matters shall be Generally Accepted Accounting Principles (GAAP).

2 General Policy

The Finance Committee is a Standing Committee of USSVI Groton Base. This Committee is accountable to all rules and regulations presented in the By-Laws of this Organization. The Finance Committee shall provide fiscal and fiduciary practices recommendations and input to the Executive Board.

This manual sets forth the policies and procedures, which are mandated for USSVI Groton Base ongoing operations, committees and activities. The policies and procedures have been streamlined to the greatest extent possible while still maintaining effective internal controls.

The establishment and maintenance of a system of internal controls is an important volunteer/staff obligation. A fundamental aspect of volunteer/staff stewardship is to provide the membership with reasonable assurance that USSVI Groton Base has proper financial, accounting and operational controls of all fiscal and fiduciary matters. Additionally, USSVI Groton Base has a responsibility to furnish state and federal agencies, members, donors and potential donors with reliable financial information on a timely basis. An adequate system of internal accounting controls that is fully complied with by each committee and activity is necessary for volunteer/staff discharge of these obligations.

Please use this manual as the first source for guidance when fiscal or fiduciary policy or practice questions arise. To the extent that certain issues might not be addressed, the USSVI Groton Base and USSVI National Constitution and By-Laws should be consulted. Additionally, USSVI Groton Base Finance Committee and ultimately the Executive Board are available to provide further guidance. Inquiries should be directed to the Finance Committee via email at vicecommander@subvetsgroton.org. This manual shall not conflict with USSVI National policy and procedure. The USSVI National document will take precedence over this Manual and in any areas of disagreement this manual will defer to the National document.

3 Applicability

The USSVI Groton Base Finance Policy and Procedure Manual is applicable to all Base entities, For Profit and Not For Profit, that receive or disburse funds and/or are involved in Base fiscal matters

4 Procedures

4.1 Internal Auditing

Internal auditing is an important tool to insure compliance with Organizational and Statutory requirements. Auditing also evaluates the effectiveness of established processes and helps to identify improvement opportunities for consideration by the elected Officers and Executive Board.

Segregation of duties is the cornerstone of Internal Accounting Control. Groton Base Committees and Cash Entities often do not have a sufficient number of volunteers or paid personnel to achieve a full segregation of duties. In such instances, active involvement of Base members, volunteers, staff and the Audit Committee in monitoring fundraising and operational activities and the flow of resources in and out of Groton Base is absolutely essential.

Groton Base operates in a dynamic environment. Internal controls must change in response to the changing character of Groton Base, its environment and various accounting requirements. Existing controls may become inadequate, redundant, and irrelevant or cost inefficient. New controls may become necessary. Periodic review and audit are essential to maintain the vitality of internal control systems.

Based on the above, Groton Base has an Audit Committee who act independently as well as participant observers to ensure adequate internal controls. The Audit Committee has a direct reporting relationship to the Finance Committee of the Groton Base.

The Audit Committee's mission is to foster a cooperative partnership between the Groton Base's Committees and Cash Entities and the Executive Board that will result in sound financial procedures and controls throughout Groton Base.

The Audit Committee will undertake an examination of each Committee and Cash Entity records at a periodicity of approximately once per annum. The approach, schedule and pace predicated on the size and availability of the audit team and the availability of the Cash Entity custodians.

The internal audit reflects the Finance Committee's and the Executive Board's belief that a sound updated system of internal controls is of the utmost importance, and is not intended to reflect adversely on Base volunteers and staff. For the most part, Committees and Cash Entities will be notified in advance of the timing and expected scope of the internal audit, additionally the Audit Committee, when directed by the Executive Board, may conduct unannounced audits.

Committee Chair, Treasurers, and volunteers and staff are expected to fully cooperate with the internal auditor during his/her visit.

Within two weeks of completion of an internal audit, an audit report is released to the Finance Committee Chair, the Executive Board and the specific Committee or Cash Entity. In compliance with Groton Base Internal Audit policy, a written response by the audited Committee or Cash Entity shall be submitted within 3 weeks of receipt of the audit report. The response must address the steps taken or planned to address the deficiencies identified (correction of defect) and the steps taken or planned to prevent recurrence of the defect (correction of cause) and the anticipated dates of implementation of planned corrective action.

All internal auditing at USSVI Groton Base shall be conducted as follows.

- The Audit Committee chairperson shall be a member of the Finance Committee.
- The Audit Committee shall consist of, preferably five or more members, but at minimum, three members may comprise the Audit Committee.
- A portion of the Audit Committee members shall be non Finance Committee members.
- An auditor shall not audit a committee on which they serve.
- An auditor shall not perform an audit of the same committee/entity more than three consecutive times.
- Standard audit industry standards and practices shall be employed in the conduct of an audit.
- Sampling of the population of interest, both statistical based and non-statistical based may be used to draw inference to the entire population.
- Audit focus should be given to both process and financial elements.

4.2 Banking

4.2.1 Bank Accounts

- One Institution will be used for all bank accounts.
- All funds shall be kept in interest bearing accounts.
- A minimum of two and a maximum of three people shall be listed on all account access cards.
- The Treasurer shall be one of the persons listed on each account access card.

4.2.2 Bank Cards (ATM/Debit/Credit)

The use of Bank Cards provides the convenience of access to funds without having the physical checkbook in one's possession. With this convenience comes the increased responsibility of insuring complete and accurate records of all card transactions is maintained.

- All Bank Card holders will be recommended by the Financial Manager and approved by the Executive Board.
- The maximum number of bank cards per account is two.
- The Treasurer will maintain a listing of Bank Card holders.

- Card holders must remain aware of the account status and when appropriate, coordinate use of the card with other card holders.
- Receipts for card transactions will be submitted to the Treasurer within five days of occurrence.
- Lost, stolen, or compromised Bank Cards must be reported to the Treasurer as soon as possible.
- Any cash or rewards, promotional or otherwise, received due to the use of a bank card become the property of USSVI Groton Base and will be surrendered to the Treasurer.
- The maximum credit limit of any credit card held in the name of the Organization shall not exceed \$5000.00 (Five Thousand Dollars).

4.2.3 Bank Charges, Fees and Interest

The assessment of bank charges and fees is a direct reflection of the fiscal policy and fiduciary practices of the Organization. Bank charges and fees result in an expense that directly reduces the funds available, to the Organization or Committee, for their intended purpose. Every effort and action should be taken to eliminate or minimize any bank charge or fee. As deemed appropriate by the Executive Board, repeated assessment of bank charges and fees may result in the individual's bank card being confiscation or cancellation of the individual's card/account privileges.

4.2.4 Account Reconciliation

Reconciliation of Organizational and Committee check book and bank registers against the Financial Institution statement is a major vehicle to insure accuracy of records and sound management of funds.

- Account Custodians shall reconcile the bank account or credit card account, as appropriate, with the Institution's statement monthly.

4.3 Investments

Prudent use of investments is sound fiscal policy and an important means for the Organization or Committee to increase asset value while preserving principal. Excess operating funds should be placed in Certificates of Deposits or other managed investment vehicles.

- The Financial Manager shall cause all Organizational investment vehicles to be subject to an annual independent professional review and analysis, which shall result in a formal report, with recommendations, to the Executive Board.
- Investment vehicles such as Certificates of Deposit maybe placed at more than one Institution.
- Placement of funds in a Certificate of Deposit for a period of greater than one year requires Executive Board approval.
- Placement of funds in any investment vehicle other than a Certificate of Deposit requires Executive Board approval.

4.4 Receipts/Accounts Receivable

Positive control and accurate recording of Income, donations and receipts received on behalf of USSVI Groton Base is the cornerstone of insuring funds and assets are used for their intended purpose and paramount in instilling confidence in the donor and membership that funds and assets are securely controlled and prudently and wisely managed. To this end:

- Income, donations and receipts received on behalf of USSVI Groton Base shall be deposited into the appropriate account in a timely manner.
- By definition, receipt of Receipts/Accounts Receivable takes place when money is placed in the designated secure receptacle or upon submission of same to the specific Custodian for the designated cause or Cash Entity, whichever takes place first.
- Custodians shall insure positive steps are taken to insure adequate documentation is maintained which results in a clear and auditable record detailing the receipt and the purpose of such income, donation or receipt.
- Refer to Appendix 4 (Donor Acknowledgement) for IRS rules regarding required donation acknowledgement.

4.5 Disbursements/Accounts Payable

Timely and accurate payment of expenses and obligations incurred by USSVI Groton Base is important to the financial health and posture of the Organization as well as a direct reflection on the reputation and credit worthiness of the Organization. Failure to meet legal financial obligations on time could place the Organization in default or a position of incurring additional expense. In addition creditors could deny future products, services, or credit. Finally, donor and membership confidence in the proper and wise management of funds and assets would be undermined.

- Financial obligations, liabilities, and open accounts which are due and payable from USSVI Groton Base shall be paid in the form of a check by the person(s) who is/are custodian(s) of the appropriate account.
- A portion or a copy of the invoice/receipt shall be kept by the custodian(s) or submitted to the Treasurer as proof of payment. Said invoice must note date, amount paid, and check number.
- If an obligation, liability or open account is paid with a credit card, it must be duly noted on the invoice/receipt of that payment in the same manner as if a check was written. The credit card payment must then be tracked to and reconciled with the monthly statement received from the credit card company.
- NO CASH payments are to be used for any accounts payable obligation, liability, or open account.

4.6 Cash Accounts

Cash Accounts or “cash box” are a convenient and logical approach to collect, control, and manage funds for short term events and activities. With the use of Cash Accounts comes an increased need to maintain detailed and accurate transaction records as well as maintaining

positive and secure control and segregation of funds. The presence or use of a Cash Account does not relieve the Organization, Committee, Custodian or individual from compliance with Constitution, By-Law or Statutory requirements.

When a cash account is used steps must be taken to insure physical as well as fiduciary security of the assets. The following guidelines and requirements are provided for this purpose:

- All funds upon receipt should be immediately deposited into a secure receptacle
- Access to the receptacle should be limited and controlled at all times.
- Secure control of the receptacle should be maintained.
- Funds maintained in the receptacle should be limited to an amount sufficient to “make change” to patrons paying for the event or product.
- Fund accounting and counting actions should be undertaken simultaneously by two individuals.
- Receptacle funds in excess of \$150.00 and at the end of the event should be deposited into the appropriate account or surrendered to the Treasurer for deposit.
- When deposited directly into the appropriate account a copy of the deposit slip shall be provided to the Treasurer.

The following basic accounting procedure should be followed by all custodians of cash accounts.

- A ledger, electronic or hard copy, will be maintained by the account custodian for each Cash Account.
- A serialized numbered receipt book, with duplicate slips (copy for patron, copy for records) may be substituted for a ledger.
- The ledger or receipt book will be made available to the Treasurer upon request.
- Upon completion of the event or activity, or at the completion of each cycle, the ledger or receipt book will be reconciled with the funds and a report submitted to the Treasurer.
- In lieu of a report the reconciled ledger or receipt book may be submitted to the Treasurer.
- The ledger or the receipt book shall be retained as identified in Section 4.18 (Records and Records Management).

All cash account receptacles not provided by the Organization must be approved by the Financial Manager. To obtain an approved receptacle, ledger, or serialized receipt book see the Financial Manager.

4.7 Petty Cash

The availability of Bank Cards (ATM/Debit/Credit) render a Petty Cash fund or account unnecessary at USSVI Groton Base. Petty Cash funds will not be maintained nor be permitted at USSVI Groton Base.

4.8 Budget

Budgets are cost projections and forecasts of the income, expense, operating cost, and overhead of the Organization. The USSVI Groton Base budget will be an annual budget based on the calendar year. Budgets show the Membership the projected project, event and Organization income and expenses and how they will be handled. A sound and accurate budgets reflects careful planning using realistic and accurate projections of planned projects, activities, infrastructure expenses as well as anticipated needs and expected capital expenses.

The budget identifies how known commitments and Committee and Organizational plans and goals will be supported. .A budget is a major tool in assisting the Organization to manage assets, control expenses and insure solvency and satisfaction of commitments. A budget provides assurances to the membership that assets and funds are properly and prudently used in support of the Organization.

The USSVI Groton Base annual budget will be developed as follows:

- Utilizing Form IV-H-1, all Organizational cash entities and committees will identify their coming year budgetary needs and requests to the Finance Committee on or before September 15.
- The Finance Committee will create, consolidate and collate an Organizational budget for presentation to the Executive Board on or before the October Executive Board meeting.
- The Executive Board will make the annual budget available to the membership at the November meeting.
- Membership suggested changes to the budget shall be provided, in writing, to the Finance Committee chairman by the 15th of November.
- The Finance Committee will provide a revised budget to the Executive Board on or before the December Executive Board meeting.
- The Executive Board will provide the final approved budget to the membership at the first monthly business meeting following receipt of the revised budget from the Finance Committee.

4.9 PayPal Account

The maintenance of a Base PayPal account enhances the ability and affords the convenience for members as well as others to pay for activities, events, dues, small stores, ETC electronically.

The Base will be limited to a maximum of two PayPal accounts established and maintained in the following manner.

- The PayPal account(s) will be maintained and managed by the Treasurer.
- Payments received in the PayPal account will be moved from the PayPal account to the appropriate account in a timely manner.

4.10 Raffles

Raffles can play a very important part in the fundraising efforts of the Organization or individual Committee. Raffles involving the public and non-members requires control because the public's image and impression of the Organization can and may be gauged simply by their exposure to a raffle. Also, raffles involving non-members have additional liabilities as well as increased statutory requirements that must be addressed and complied with. Failure to do so could result in serious fines and penalties levied on the Organization. All raffles will be conducted in accordance with the following guidelines:

- All raffles will have prior approval of the Executive Board.
- Raffles will be of a specific duration, not to exceed sixty (60) calendar days.
- Raffles tickets will be sequentially serialized.
- Appendix 2; Guidelines for Raffles and Drawings, should be consulted for direction on conducting a raffle or drawing.

4.11 Gifts/Bequeaths

Major gifts come from major donors. USSVI Groton Base most attracts and maintains the attention of people and organizations capable of making large gifts to the Organization. But attention alone isn't enough. USSVI Groton Base must have and develop the interest of potential major donors. Major gifts result from people committing to the USSVI and Groton Base vision. Major gifts are gifts of investment in the Organization's future. They are the gifts that support capital projects. A major element of all fundraising is to develop and foster this attention and interest in USSVI Groton Base by major donors.

Small gifts result from people believing in USSVI Groton Base's good works. They are gifts of support. Small gifts support the many activities and projects that USSVI Groton Base undertakes throughout the year. A major support of the USSVI Groton Base community outreach activities is the small gifts received.

Member gifts and bequeaths also play an important role in, not only the financial health of the Base, but in meeting the Base's vision, goals, and mission. Members are encouraged to consider giving gifts and bequeaths to the Organization. The Organization has established and maintains a robust campaign encouraging member gifts and bequeaths.

Members whose employer has a "matching donation" programs are encouraged to take advantage of these programs and incorporate the program in their decision process as they consider donations to the Organization.

All gifts or bequeaths received will be used only as the giver directs.

The Executive Board will determine the disposition of a gift or bequeath where specific direction is not given.

Refer to Appendix 4 (Donor Acknowledgement) for IRS rules regarding required donation acknowledgement.

4.12 Grant Solicitation

Solicitation of grants for or in the name of USSVI Groton Base can be a valuable addition to committee and Base fundraising efforts and is encouraged. While individual Base Committees may research and/or may apply for Grants, the related activity must be known by the Executive Board and Financial Manager. The Financial Manager shall maintain a central listing of all such activity. Centralized control of such activities is necessary to avoid duplication of efforts and requests as well as to insure the activities are consistent with the objectives and mission of USSVI and Groton Base. Any grant solicitation shall be done in accordance with the following guidelines. Questions on the guidance or process may be addressed to the Finance Committee.

- Any organization solicited for a grant must be approved by the Executive Board.
- All grant submissions will be signed by the Vice Commander.
- All grant funding received will be used solely for the exclusive purpose it was solicited for.
- Any unsolicited Grant must be accepted by the Executive Board
- All post funds receipt reporting requirements are the responsibility of the requestor.
- Appendix 3; Guidelines for Grant Requests, should be consulted for direction on applying for a Grant.

4.13 Expense Reimbursement

The incurrence of expenses by officers and members while acting on behalf of the Organization or Committee should not be borne solely by the officer or member.

- Executive Board pre-approval is required for all reimbursable requests and events.
- Expenses will be reimbursed on an actual amount basis.
- Receipts are required for all reimbursements.
- Expenses will not be reimbursed for travel companions or family members who accompany officers or members on official Organization or Committee business.
- Local area travel is not a reimbursable expense.
- Committee activities are not a reimbursable expense.
- Official Base business is reimbursable but must be pre-approved by the Executive Board.
- Detailed travel reimbursement guidelines are documented in the Travel Policy and Procedure Manual.

4.14 Payroll

All USSVI Groton Base staff will be paid by check. No person shall be paid in cash.

Specific Payroll and employee compensation questions should be addressed or referred to the appropriate State or Federal agency responsible for same.

4.15 Personnel Bonding

Unless otherwise provided for in existing Base insurance policies, surety bonds shall be purchased for the offices of Treasurer and Financial Manager in a sum at least equal to the amount of the liquid assets for which, so far as can be anticipated, he/she may be accountable.

Unless otherwise provide for in existing Base insurance policies, surety Bonds shall be purchased for any officer or member who is the custodian accountable for Organizational funds or property valued in excess of Five Thousand Dollars (\$5000.00).

The bond premium shall be paid from the funds to which each officer or custodian is accountable unless otherwise directed by the Executive Board.

The bonds of the accountable for officers or custodian, in amount and as to surety, shall be approved by the Executive Board and held by the Treasurer.

The Executive Board shall be responsible for the proper and adequate bonding of officers and custodians within USSVI Groton Base.

4.16 Acknowledgement and Other Regulatory Requirements

In order to maintain the Organization's non-profit tax exempt status, all Committees are responsible for providing letters of acknowledgement for all gifts and donations received. IRS rules and regulations provide a dollar threshold when an acknowledgement letter is required to be provided to donors.

- Committees should refer to Appendix 4 for donor acknowledgement requirements.
- Forms IV-P-1 through IV-P-5 provides sample acknowledgements.

4.17 Reports and Reporting

The Finance Committee is responsible for the development and management of Financial Report formats and forms used by all Committees and Cash Entities of USSVI Groton Base. The intent of this approach is to promote consistency of reporting and transparency of process. Committees and Cash Entities shall make recommendations for formats and forms to the Finance Committee. Any Committee or Cash Entity generated reports shall meet the following criteria:

- GAAP guidelines shall be the standard used for all reporting forms.
- All reports shall be labeled with an intelligent alpha numeric numbering system for identity and revision control purposes. I.E. Report ID, Month/Yr issued, and Revision.
- The Treasurer shall be the custodian of all Financial Report formats and forms developed.

4.18 Records Management and Retention

Record retention, management and control are required to insure the Organization's has the ability to document the compliance with National, Organizational, and requirements and regulations. Retention and maintenance of empirical data and records supports the Organization's ability to respond to statutory requirements, member requests, and internal and external audits. The generation, submission and availability of archival records from Committees and Cash Entities provides follow on chairman and custodians the ability to fully understand and learn from previous activities, issues, successes, methodologies and operations.

- Audit reports will be retained for a period of three years from date of completion of the audit.
- Operating records and documents that are used routinely or frequently in the conduct of normal business should be maintained on site in an organized and secure manner.
- Historical and empirical records and documents should be placed in a long term permanent and secure storage location off site.
- Financial records shall be maintained in a secure, safe, and readily retrieval (within 4 business days) manner.
- Financial record shall be retained for the period specified by the United States Internal Revenue Service (IRS) or other competent authority.
- A Financial record not identified by the IRS or other competent authority shall be retained for a period of not less than seven (7) years.
- Annually or more frequently, as appropriate, Committee Chairs and Cash Entity Custodians shall provide copies of their reports, minutes and general records to the Base Archives.

4.19 Forms, Flowcharts, Graphs, and Pictorials

The use of common forms by all committees and cash entities promotes consistency of process, provides increased ease of oversight and transparency and fosters a familiarity between functions allowing a smooth flow and transfer of information. Common forms support and enhance changes in personnel without a steep learning curve for the person going into the new position.

Flowcharts provide the reader with a graphic of the process. They allow the process owner/stakeholder to see their entire process enhancing their ability to see improvement opportunities, reduce or eliminate waste, remove redundant operations and create a robust process. The creation and maintenance of a process flowchart by all Entities is encouraged.

Graphs and pictorials provide clarity and additional information to the reader. Graphs and pictorials should be all inclusive and contain sufficient detail and instruction negating the need for the reader to refer to the manual text.

The intent of a flowchart, graphic or pictorial is not to replace or supersede the written word but to aid the reader in understanding the text. The text of this policy and procedure manual takes precedence over any conflict between the written word and a flowchart, graph, or pictorial.

Forms, flowcharts, graphs, and pictorials attached to this document are provided as an aid to the practitioner. Every effort should be made to use the included forms as provided.

Any Committee or Cash Entity generated form, flowchart, graph, or pictorial shall meet the following criteria:

- All forms, flowcharts, graphs, and pictorials shall be labeled with an intelligent alpha numeric numbering system for identity and revision control purposes. I.E. Identification [unique name], Month/Yr issued, and Revision.
- Necessary detail and instructions shall be embodied in the form, flowchart, graph, or pictorial or be included with the document.
- Suggestions for improvement and requests for changes to existing forms, flowcharts, graphs, or pictorials or creation of a new item should be submitted to the Finance Committee.

4.20 Taxes

It is imperative that all Organizational tax obligations and liabilities be known and satisfied. Failure to pay tax obligations or failure to pay tax obligations on time can have serious repercussions on the Organization's tax status as well as resulting in the assessment of serious penalties and fines. Penalties and fines cause a negative impact on the Organization's fiscal posture and strength and result in funds scheduled to support the USSVI mission and goal to be reduced or eliminated. In addition, failure to properly and timely meet these obligations reflects negatively on the Organization's integrity, business acumen and management team as well as undermining donor and membership confidence.

- The responsibility to pay all taxes when due lies with the Treasurer.
- The Permittee will insure that the Treasurer is knowledgeable of all Bar tax obligations and liabilities.
- The Treasurer shall provide positive confirmation to the Permittee and Executive Board that all taxes are paid.
- The Executive Board shall monitor and provide the oversight necessary to insure the satisfaction of the Organization's tax obligation.

4.21 Insurance

While insurance is not directly a financial element, the impact of insurance or lack thereof can directly or indirectly affect the financial strength and posture of the Organization. With that in mind Committee and Cash Entity decisions must consider the liabilities and ramifications of a claim by or against the Organization as they plan and undertake their respective activities and responsibilities.

The membership should remain aware of the insurance coverage maintained by the Organization as well as assist in the vigilance to ensure unsafe conditions and risks are minimized through notification of an Organizational officer of any deficiencies or potential hazards noted. Of particular note would be safety and fire hazards. Through attention to detail and vigilance the membership, in addition to the officers, volunteers, and staff, can play a major role in maintaining a safe and secure facility and environment.

Appendix 5 is a summary of insurance coverage that is offered only for the convenience of chapter volunteers and staff, and is qualified in its entirety by the actual terms and conditions of the actual insurance policies in effect at the time. Any questions regarding insurance coverage should be directed to the Executive Board.

The Executive Board or their representative should review insurance coverage and needs of the Organization with a professional insurance advisor no less than annually.

Appendix A – Definitions, Abbreviations, Acronyms

Accounts Payable	A liability to a creditor carried on an open account for purchases of goods and services.
Accounts Receivable	Funds of a monetary nature donated, collected, or received by the Organization for any reason.
Audit	A systematic and independent [formal] examination, by qualified people, to determine whether activities [audit focus] and related results comply with planned arrangements [procedures or precedence] and whether these arrangements are implemented effectively and are suitable to achieve objectives”.
Audit, External	An audit conducted by a third party with no affiliation with the Organization.
Audit, Internal	Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. An audit conducted by someone with an affiliation with the Organization but with no responsibilities or ties to the entity being audited.
Auditor	The person appointed to conduct an examination of the records, to form an opinion about the authenticity and correctness of such records, by verifying the correctness and reliability of the recorded transactions from the evidences available, opinion and inference reachable based on his expertise.
Auditor, External	A non-member auditor, usually working for an audit firm, which is completely independent of the Organization. External auditors should always be certified by a professional association of accountants, and should be selected by, and report to, the Executive Board or Finance Committee.
Auditor, Internal	A member charged with providing independent and objective evaluations of the Organization’s financial and operational business activities, including its governance. Internal auditors also provide evaluations of operational efficiencies and will report to the highest levels of management on how to improve the overall structure and practices of the Organization.
Base	USSVI Groton Base
Cash Account	Often referred to as the “cigar box”. A activity that is conducted, in whole or part, primarily on a cash basis such as Small Stores, Challenge Coin Sales, Raffles, Brunches and Dinners, ETC. The event is in most cases a fundraising event for the Organization.
Cash Box	A Cash Account.
Cash Entity	Any element, profit or non-profit, of USSVI Groton Base that receives or disburses Organizational assets or funds.
Club	For Profit Bar Facility

Cycle	An accounting period. For an event such as a brunch or dinner, the period from start of ticket sales to completion of the event. For an events such as a raffle, the conclusion of each raffle. For events such as coin sales, a period determined by the custodian and agreed to by the Financial Manager. No cycle shall exceed three months.
Donation	The giving of money or an item of value, with or without stipulations, without anything received in return. (see Appendix 12.1, Reference A – www.IRS.gov)
EBoard	Executive Board
GAAP	(Generally Accepted Accounting Principles) The standard framework of guidelines for financial accounting used in any given jurisdiction; generally known as Accounting Standards. GAAP includes the standards, conventions, and rules accountants follow in recording and summarizing, and in the preparation of financial statements.
Generally Accepted Accounting Principles	The standard framework of guidelines for financial accounting used in any given jurisdiction; generally known as Accounting Standards. GAAP includes the standards, conventions, and rules accountants follow in recording and summarizing, and in the preparation of financial statements.
Grant	A gift, such as money or items of value, received by the Organization and designated for a particular purpose.
Groton Base	USSVI Groton Base, USSVI Groton, inclusive of Club
Insurance - Directors and Officers (D&O)	D&O insurance protects the board. If the board of the organization decides to do or not do something and someone gets hurt as a result of their decision, coverage may apply.
Insurance - Dram aka Liquor liability insurance.	If a patron has too much to drink, gets in a car and kills someone, this coverage will help protect the organization as a result of a lawsuit.
Insurance – General Liability	General Liability coverage protects employees and volunteers if they are sued for something they are legally liable for.
Insurance - Worker's Compensation	If the organization has employees the law requires you have Worker's Comp. If no employees but strictly volunteers, should have Medical Payment or Accident Insurance coverage. We can provide all the above types of insurance.
Insurance - Business owners policy or Package policy	Building, Contents cover the building and its contents from perils including Fire & Hurricane.
Major Gift	A gift of a different magnitude from the usual range of gifts received by USSVI Groton Base. A gift that has potential to have a significant impact on the Organization. A single gift of \$5000.00 (Five-Thousand Dollars) or more.
Organization	Intended to be all inclusive. Includes all USSVI Groton Base elements I.E. For Profit entities, Non-Profit entities, and all cash entities.

Surety Bond	A promise to pay one party (the <i>obligee</i>) a certain amount if a second party (the <i>principal</i>) fails to meet some obligation, such as fulfilling the terms of a contract. The surety bond protects the obligee against losses resulting from the principal's failure to meet the obligation.
Timely Manner	Defined as four (4) business days
Travel – Local Area	Travel within a Two Hundred Mile (200) radius of the USSVI Groton Base Club House located at 40 School Street, Groton, CT 06340. Exceptions if any will be identified in the Travel PPM.
USSVI	United States Submarine Veterans, Inc.

NOTE: Questions regarding clarification of definitions provided or for terms not defined should be directed to the Finance Committee.

Appendix B – Guidelines for Raffles and Drawings

1. Purpose

These guidelines are designed to outline the procedures adopted by The Groton Base as they relate to raffles and drawings, which are often part of fundraising at (event) s and other Groton Base Special Events.

2. Legal Compliance

Please be aware that in some states raffles and drawings are illegal. These are the current states in which raffles are illegal: Alabama, Arkansas, and Tennessee. Please note that requirements and restrictions can vary from state to state. Therefore do not rely upon what another Chapter in a different state may be doing.

Note: in 2010 Groton Base Memorial Committee checked with the State of Connecticut to insure that we are in compliance and that our memorial raffle is not illegal. Additionally the Memorial Committee also checked with the US Postal Service and the mailing for raffle tickets via the US Mail is not illegal.

3. Permit Filings & Restrictions

Periodically contact or verify with the (state of Connecticut) Office to ensure that raffles and drawings are permitted in Connecticut.

- Web site for the State of Connecticut
http://www.ct.gov/dosr/lib/dosr/Operation_Bazaars_Raffles.pdf

Work on securing the proper permit(s) from the appropriate state and or local authorities. Strictly abide by the restrictions the permit may place upon the raffle or drawing. Examples being: if cash Prizes are allowed, dollar limits on prizes, limit to number of annual raffles or drawings you may hold.

Please be aware that it may take some time to obtain the required permit. Therefore, please plan properly and provide the Base Vice Commander with sufficient time (minimum of 90 days) to assist you in running a legal and successful raffle or drawing.

IRS Information Returns - See Federal and Reporting Requirements (Reference 12.1 A)

You must work closely with Groton Base's Treasurer to ensure that all IRS reporting requirements are met.

- Less than \$600- If the prize is less than \$600, then the Internal Revenue Service does not require the completion of forms W-2G or the withholding of federal income tax.
- Greater than \$600 < \$5,000- If the prize is greater than \$600 but less than \$5,000 then Groton Base must complete Form W-2G. Co-ordinate with National on completing a W-

2G. Note: This requirement is reduced by 300 times the ticket price. For Example: If the ticket price is \$10.00, then only a prize greater than \$3,001 is reportable.

- Previous to 2011 the maximum cash prize has been \$1,000.

Withholding Taxes- You should deposit the check from the Winner for the withholding taxes (25%) into your Chapter Bank Account National will then make an electronic payment to the IRS for the withholding taxes. If you do not receive a TIN #, then you should send National a check for the withholding amount of (28.00%).

You should send the Groton Base Treasurer the following information with the withholding tax check:

- Date of Raffle
- Cost of Raffle Ticket
- Prize won
- Fair Market Value of Prize
- State whether Donor or Groton Base paid withholding taxes
- First & Last Name of Winner
- Social Security # of Winner
- Winners full Mailing Address

4. Prizes

- Withholding Taxes- You should deposit the check from the Winner for the withholding taxes (25%) into your Chapter Bank Account National will then make an electronic payment to the IRS for the withholding taxes. If you do not receive a TIN #, then you should send National a check for the withholding amount of (28.00%).
- Groton Base's policy is that all non Cash raffle or drawing prizes must be donated; you may not purchase these items. These items may not be purchased on consignment.
- Ensure that the donated prize is an appropriate item. An inappropriate item may be Cosmetic surgery services offered for raffle by a donor who is a plastic surgeon. If you have any doubt regarding the appropriateness of any prize, please contact your -----

- Work closely with your Committee Chair on the presentation and implementation of the raffle or drawing.

5. Charitable Contribution

- No part of a payment to purchase a raffle or drawing is deductible as a charitable contribution for federal income tax purposes.

- In accordance with Rev. Rule. 67-246, 1967-2 C.B. 104, the ruling provides that amounts paid for chances to participate in raffles, lotteries, or similar drawings are not treated as gifts and do not qualify as deductible charitable contributions.

6. Conclusion

The failure to abide by these policies could result in Groton Base incurring regulatory penalties. It is extremely important that you follow these procedures. Inquiries should be directed to your Committee Chair, or the Finance Committee via email at vicecommander@subvetsgroton.org.

Appendix C – Guidelines for Grant Requests

The following are Steps in the Grant process:

Step 1: Need

Within the Base there is an identified need. The need can originate from the Executive Board, Trustees, Committees or Member. It should not be for routine maintenance of the building, for scholarships or for prizes related to Raffles. It could be for those extraordinary expenses that will improve the building structure, restoration of the Submarine Memorial, replacement of major components of the facilities or replacement of the building.

Step 2: Evaluation

The process of determining the worth or merit of a person, performance, program, or product based on relevant standards. The originator of the request or a Committee to be formed by the Executive Board for the purposes of all or a specific Grant writing should provide the following to the Executive Board for approval to move forward with the Grant Request.

- What is the need
- How will a Grant resolve the need
- Who will complete the Grant processes of research funding, completion of any required documents, tracking and report of progress?
- If the Grant is approved is there a Base Committee that will manage the implementation or asset or will a Committee need to be created specifically for this Grant

Step 3: Approval by the Executive Board.

Step 4: Research

- To find a resource that might provide the funds or asset.

Step 5: Details

- Formally complete the requested details that are required by the agency or persons providing the Grant.

Step 6: Tracking

- Track the Grant Request and provide frequent updates to the Executive Board. Reports should be at least monthly.
- If the Grant is approved or rejected then report to the Secretary so that the activity can be marked completed.

Step 7: Approval

- If the Grant is approved then complete any requirements so that the funds or asset can be formally transferred to the Base.

Appendix D – Donor Acknowledgements

In order to maintain our tax exempt status, all Committees and Cash Entities are responsible for providing letters of acknowledgement for all gifts and donations received. IRS rules and regulations provide a dollar threshold when an acknowledgement letter is required to be provided to donors.

Note: the following Rules are guidelines, in practice each committee chairperson decides at what dollar value to send acknowledgements and historically all donations receive a written acknowledgement.

\$250 Rule

Acknowledge in writing all contributions of \$250 or more. A donor's canceled check of \$250 or more is no longer accepted as proof of contribution by the IRS. Indicate in the acknowledgment letter whether any goods or services were provided to the donor and their value. Clearly state that only the difference between the value of the contribution and the value of any goods or services provided is tax-deductible.

\$75 Rule

When goods or services are provided to the donor, disclose the value of the goods and services in both the solicitation materials and the acknowledgment letter for all contributions of \$75.00 or more. Clearly state that only the difference between the value of the contribution and the value of the goods or services provided is tax-deductible.

\$20 Rule

The current practice for Committees is to acknowledge any donation of \$20 or more.

Non-cash Contribution Rule

All the rules above apply except that the acknowledgment letter should provide a description of the gift but not the value. If the donor insists on a value, the acknowledgment letter should include a description of the gift "which you have valued at \$_____.", the Groton Base and its Committees do not determine the value of a gift or obtain valuations.

- The value of any goods or services provided to the donor must be clearly disclosed in all solicitation and promotional materials.
- As per IRS Publication 526 on IRS website www.irs.gov, the donations of time or services are nondeductible. As always, direct the donor to check with their tax advisor.
- Questions regarding IRS regulations, including information relating to non-cash contributions, should be directed to either the Treasurer or the Finance Committee.

Appendix E – Insurance Guidelines

Coverage Provided

The current USSVI Groton Base insurance policy should be consulted for information on the in force insurance coverage held by the Organization.

General Liability (excluding automobile)

When a Groton Base member, volunteer or staff person is acting within the scope of his/her chapter duties, Groton Base provides coverage for that person in the event that he/she accidentally injures someone or damages their property. The insurance company pays for any legal fees as well as any damages a Groton Base volunteer/staff person is obligated to pay, up to \$1,000,000 for all Groton Base claims during the policy period.

Accidental injury or damage, resulting from the incidental serving of alcoholic beverages at a Groton Base event, is also covered. However, utmost caution and care should be used to help ensure that alcohol consumption does not lead to intoxication and subsequent injury and damage. Various state laws may hold the person providing the liquor responsible for subsequent injury and damage.

The general liability policy also provides similar coverage for the Base itself, in the event the Base is sued. The policy should also satisfy requirements of a lease for any premises that is leased or donated, and the requirements of a municipality in order to secure a permit for a fundraising event. If it is necessary to sign an indemnification (hold harmless) agreement for a premises or a fundraising event, the contract must be forwarded to Executive Board at the Groton Base for prior approval.

If a **Certificate of Insurance** is requested for a Groton Base event or new lease, call the Base Treasurer or send in the Groton Base Application for Certificate of Insurance form four (4) to six (6) weeks prior to the event or lease requirement.

As with all insurance policies there are exclusions and limitations. The general liability policy does not provide any automobile insurance nor does it provide any medical insurance if a volunteer is not injured, nor does it cover any damage or loss to a volunteer's personal property or the property of a Groton Base.

Groton Base should obtain certificates of insurance from all vendors and independent contractors doing work or providing services at Groton Base Events. This includes, for example:

- Outside companies with booths or service providers at events.
- All trades doing construction or maintenance work for an event or at a location.
- Outside caterers and event planners
- Food suppliers (Products liability and liquor liability)

It is recommended that these parties have at least \$1,000,000 limit or more on bodily injury and property damage coverage for general liability and automobile liability, naming Groton Base as additional insured. In addition there should be evidence of worker's compensation, if deemed necessary.

Directors and Officers Liability

If an Executive Board Member commits a wrongful act (unintentional breach of duty, error, misstatement, omission) while performing his/her official Groton Base duties that results in a lawsuit, this policy will pay for legal fees and damages up to \$1,000,000 for all Groton Base claims during the policy period.

Claim Filing

In the event of:

An accident, claim or potential claim against Groton Base or,

The filing of any suit, action or proceeding against or by Groton Base in any court, or knowledge of any such potential suit, action or proceeding, immediate notice, with all pertinent details must be given in writing to the Groton Base Executive Board. Such information must come from the Chapter Committee Chair or a lead volunteer, and shall be directed to the Vice Commander.

Application for Certificate of Insurance

The following summary of insurance coverage is offered only for the convenience of chapter volunteers and staff, and is qualified in its entirety by the actual terms and conditions of the actual insurance policies in effect at the current time. Any questions regarding insurance coverage should be directed to the executive office.

When a Groton Base member, volunteer or staff person is acting within the scope of his/her chapter duties, Groton Base may provide coverage for that person in the event that he/she accidentally injures someone or damages their property. The insurance company pays for any legal fees as well as any damages a Groton Base volunteer/staff person is obligated to pay, up to \$1,000,000 for all Groton Base claims during the policy period.

Accidental injury or damage, resulting from the incidental serving of alcoholic beverages at a Groton Base event, is also covered. However, utmost caution and care should be used to help ensure that alcohol consumption does not lead to intoxication and subsequent injury and damage. Various state laws may hold the person providing the liquor responsible for subsequent injury and damage.

The general liability policy also provides similar coverage for the chapter itself, in the event the chapter is sued. The policy should also satisfy requirements of a lease for any premises that is leased or donated, and the requirements of a municipality in order to secure a permit for a fundraising event. If it is necessary to sign an indemnification (hold harmless) agreement for a

premises or a fundraising event, the contract must be forwarded to the Groton Base Executive Board for prior approval.

If a Certificate of Insurance is requested for a Groton Base event, send in this Certificate of Insurance request form four (4) to six (6) weeks prior to the event.

As with all insurance policies there are exclusions and limitations. The general liability policy does not provide any automobile insurance nor does it provide any medical insurance if a volunteer is injured, nor does it cover any damage or loss to a volunteer's personal property or the property of a Groton Base chapter.

In the event of an accident or knowledge of a claim, immediate notice, with all pertinent details, must be given in writing to the Groton Base Executive Board.

Appendix F - Forms

Form F-1 - Budget Input Submission Form

Form IV-H-1; Revision – Aug 2011

For _____ Committee
 Submitted by/ POC: _____ for Calendar Year _____

Category	Current Year		Budget Request/Projection		Notes**
	Budget	Expended YTD	Request	Projection	
Current Year Information					
Request/Projection					
Income					
Donations					
Fundraising					
Other *					
Expenses					
Fixed					
Services					
Rentals					
Contracts					
Other *					
Variable					
Administration					
Printing					
Postage					
Other *					
Totals:					

* Identify by name (continue on reverse or separate sheet if necessary)

** Number for clarity

Notes: (continue on reverse or separate sheet if necessary)

- 1.
- 2.

Form F-2 - Committee/POC Financial Management Questionnaire

For _____
Submitted by/ POC: _____

Finance Committee Form 1; Revision – Aug 2011

Does your Committee/Activity have a dedicated bank account(s)? _____

If so, with what institution? _____

If not, where do your assets reside? _____

Does your Committee/Activity use a bank card(s)? _____

If so, who has access to the card and when/what is the card used? _____

Does your Committee/Activity have any investments vehicles (CDs, ETC.)? _____

If so, with what institution? _____

How are the investments managed (amounts, thresholds, maturity terms, ETC. _____

Does your Committee/Activity use a bank card(s)? _____

If so, who has access to the card and when/what is the card used? _____

Are your Committee/Activity financial records electronic or hard copy? _____

Please describe? _____

During the year, is there a period, due to whatever, where your Committee/Activity receipts do not keep pace with your expenditures? _____

If so, how might this be mitigated? _____

Other Comments and information: _____

The above questions are intended to insure the Finance Committee and EBoard are knowledgeable of and positioned to support your Committee and Activity. Please complete the above questions and return to the Finance Committee at finance@subvetsgroton.org. Doing so will also the ongoing budget process and insure your needs are addressed. Your reply before October 15 is appreciated. Please do not hold up your budget request submission in abeyance pending completion of the questionnaire.

Form F-3 - Sample Monetary Donation Acknowledgement Letter-Non Member



UNITED STATES SUBMARINE VETERANS, INC. Groton Base
40 School Street; Groton, CT 06340-3940

(Date)

Mr. & Mrs. XYZ
1 Main Street
Any Town, USA

Dear Mr. and Mrs. XYZ

On behalf of the membership of United States Submarine Veterans, Inc. Groton Base and its Executive Board, I wish to thank you for your _____(date)_____ donation in the amount of ____ (amount)_____.

SUBVETS Groton Base's motto is the "First and Finest". Groton Base is very fortunate to have a dedicated meeting hall, located at 40 School Street Groton CT which houses a library, a club, meeting rooms, a stage and much memorabilia. Monthly meetings and many special events take place in the club house.

We are a very active and community oriented Base, involved in the Military community as well as the surrounding communities. Each year for the Submarine Birthday, Memorial Day and Veterans Day we hold services at the National WW II Memorial East to remember those who gave their lives in pursuit of their duties in Submarines. On Thanksgiving, membership volunteers serve well over 800 Thanksgiving dinners to SUBASE New London personnel, shut-ins, police officers, and first responders throughout the area who are unable to be with their families.

Throughout the year SUBVETS participates in Submarine School graduations and local parades. We conduct a local and national scholarship program, and contribute time, talent, and monetarily too many worthy causes. SUBVETS Groton Base is the sponsor of Sea Scout Ship DRAGON Ship 584 and .has a robust "Kap(SS)4Kid(SS)" program which supports hospitalized children statewide who are dealing with significant health issues. Our Veteran's Liaison meets regularly with elected officials, insuring elected officials understand the needs and hopes of area veterans.

Our House Committee plans, organizes, and holds many member events, dinners, brunches, etc. There are usually dinners once a month, and brunches every Sunday, as well as seasonal and holiday dinners and events. The cost is minimal and the fine food, ambiance, and camaraderie make for a very enjoyable and memorable event.

Your generous donation will directly support the activities identified above and other worthy endeavors undertaken by the Organization. It is the ongoing support and generosity of people such as you that allows us to continue these valuable programs.

USSVI Groton Base acknowledges that no goods or services were given in exchange for your financial donation.

USSVI Groton Base operates as a single not-for-profit corporation under the laws of the State of Connecticut. It is exempt from U.S. Federal income taxes under section 501(c) (19) of the Internal Revenue Code. Our tax identification number is 95-4830806.

Sincerely,

(Insert your name and title), USSVI Groton Base

Form F-4 - Sample Non-cash Donation Acknowledgement Letter-Non Member



UNITED STATES SUBMARINE VETERANS, INC. Groton Base
40 School Street; Groton, CT 06340-3940

(Date)

Mr. & Mrs. XYZ
 1 Main Street
 Any Town, USA

Dear Mr. and Mrs. XYZ

On behalf of the membership of United States Submarine Veterans, Inc. Groton Base and its Executive Board, I wish to thank you for your _____(date)_____ donation of _____(Description)_____ valued in the amount of _____(amount)_____.

SUBVETS Groton Base's motto is the "***First and Finest***". Groton Base is very fortunate to have a dedicated meeting hall, located at 40 School Street Groton CT which houses a library, a club, meeting rooms, a stage and much memorabilia. Monthly meetings and many special events take place in the club house.

We are a very active and community oriented Base, involved in the Military community as well as the surrounding communities. Each year for the Submarine Birthday, Memorial Day and Veterans Day we hold services at the National WW II Memorial East to remember those who gave their lives in pursuit of their duties in Submarines. On Thanksgiving, membership volunteers serve well over 800 Thanksgiving dinners to SUBASE New London personnel, shut-ins, police officers, and first responders throughout the area who are unable to be with their families.

Throughout the year SUBVETS participates in Submarine School graduations and local parades. We conduct a local and national scholarship program, and contribute time, talent, and monetarily too many worthy causes. SUBVETS Groton Base is the sponsor of Sea Scout Ship DRAGON Ship 584 and .has a robust "Kap(SS)4Kid(SS)" program which supports hospitalized children statewide who are dealing with significant health issues. Our Veteran's Liaison meets regularly with elected officials, insuring elected officials understand the needs and hopes of area veterans.

Our House Committee plans, organizes, and holds many member events, dinners, brunches, etc. There are usually dinners once a month, and brunches every Sunday, as well as seasonal and holiday dinners and events. The cost is minimal and the fine food, ambiance, and camaraderie make for a very enjoyable and memorable event.

Your generous donation will directly support the activities identified above and other worthy endeavors undertaken by the Organization. It is the ongoing support and generosity of people such as you that allows us to continue these valuable programs.

USSVI Groton Base acknowledges that no goods or services were given in exchange for your donation.

USSVI Groton Base operates as a single not-for-profit corporation under the laws of the State of Connecticut. It is exempt from U.S. Federal income taxes under section 501(c) (19) of the Internal Revenue Code. Our tax identification number is 95-4830806.

Sincerely,

(Insert your name and title), USSVI Groton Base

Form F-5 - Sample Monetary Scholarship Donation Acknowledgement Letter-Member



UNITED STATES SUBMARINE VETERANS, INC. Groton Base
40 School Street; Groton, CT 06340-3940

(Date)

Mr. & Mrs. XYZ
1 Main Street
Any Town, USA

Dear Shipmates and Supporters of SUBVETS Groton Base.

On (date) the United States Submarine Veterans Incorporated (USSVI) Groton Base held its (event) at (location – place and city).

Your sponsorship has allowed us to attain our goal and your participation is part of our success in rising about (insert total event funds raised) for scholarships.

The SUBVETS Groton Base Scholarship is part of the US Submarine Veterans Charitable Foundation. This is an I.R.S. approved 501(c)(3) charitable foundation and our tax identification number is 95-4830806. No goods or services were provided for this donation.

On behalf of all of the members of SUBVETS Groton Base, the US Submarine Veterans Charitable Foundation and the young men and women who will benefit from these scholarships, we wish to thank you for your most generous donation of (insert dollar amount).

Together we have helped ease the financial burden of our children’s future education. Thank you for your support and we look forward to working with you again next year.

Sincerely,

(Insert your name and title)
USSVI Groton Base

Form F-6 - Sample Non-cash Scholarship Donation Acknowledgement Letter- Member



**UNITED STATES SUBMARINE VETERANS, INC. Groton Base
40 School Street; Groton, CT 06340-3940**

(Date)

Mr. & Mrs. XYZ
1 Main Street
Any Town, USA

Dear Shipmates and Supporters of SUBVETS Groton Base.

On (date) the United States Submarine Veterans Incorporated (USSVI) Groton Base held its (event) at (location – place and city).

Your sponsorship has allowed us to attain our goal and your participation is part of our success in rising about (insert total event funds raised) for scholarships.

The SUBVETS Groton Base Scholarship is part of the US Submarine Veterans Charitable Foundation. This is an I.R.S. approved 501(c)(3) charitable foundation and our tax identification number is 95-4830806.

On behalf of all of the members of SUBVETS Groton Base, the US Submarine Veterans Charitable Foundation and the young men and women who will benefit from these scholarships, I wish to thank you for your _____(date)_____ donation of _____(Description)_____ valued in the amount of ____ (amount)_____.

Together we have helped ease the financial burden of our children’s future education. Thank you for your support and we look forward to working with you again next year.

Sincerely,

(Insert your name and title)
USSVI Groton Base

Form F-7 - Sample Donation Acknowledgement Post Card - Member

As an alternative to a formal letter it is suggested that a post card can be used to acknowledge donations of cash or non-cash of \$99.

Sample wording:

Cash Donation

To: Supporters of SUBVETS Groton Base.

On (date) the United States Submarine Veterans Incorporated (USSVI) Groton Base held its (event) at (location – place and city).

The SUBVETS Groton Base Scholarship is part of the US Submarine Veterans Charitable Foundation. This is an I.R.S. approved 501(c)(3) charitable foundation and our tax identification number is 95-4830806. No goods or services were provided for this donation.

On behalf of all of the members of SUBVETS Groton Base, the US Submarine Veterans Charitable Foundation and the young men and women who will benefit from these scholarships,

Sincerely, (your name & title)

Non-Cash Donation

To: Supporters of SUBVETS Groton Base.

On (date) the United States Submarine Veterans Incorporated (USSVI) Groton Base held its (event) at (location – place and city).

The SUBVETS Groton Base Scholarship is part of the US Submarine Veterans Charitable Foundation. This is an I.R.S. approved 501(c)(3) charitable foundation and our tax identification number is 95-4830806.

On behalf of all of the members of SUBVETS Groton Base, the US Submarine Veterans Charitable Foundation and the young men and women who will benefit from these scholarships,

I wish to thank you for your _____(date)_____ donation of _____(Description)_____ valued in the amount of _____(amount)_____.

Sincerely, (Insert your name & title)

Form F-8 - Request for Change to the Finance Policy and Procedure Manual

Request Submitted by: _____

Date: _____

Contact Information: _____

I am requesting the following change (add, deletion, modification) to the Finance Policy and Procedure Manual: (cite Section, paragraph, and other identifiers as necessary)

The reason, rational, justification for my request is: (the more information provided the better the reviewers can fully understand and act on the request)

Note: Please use the lines above or attach to this sheet your requested change and reason(s). Be as detailed and descriptive as possible to insure your request is fully understood by the reviewers.

Please send this form to vicecommander@subvetsgroton.org or finance@subvetsgroton.org or submit directly to the Base Vice Commander or a Finance Committee Member.

Finance Committee Review and Disposition

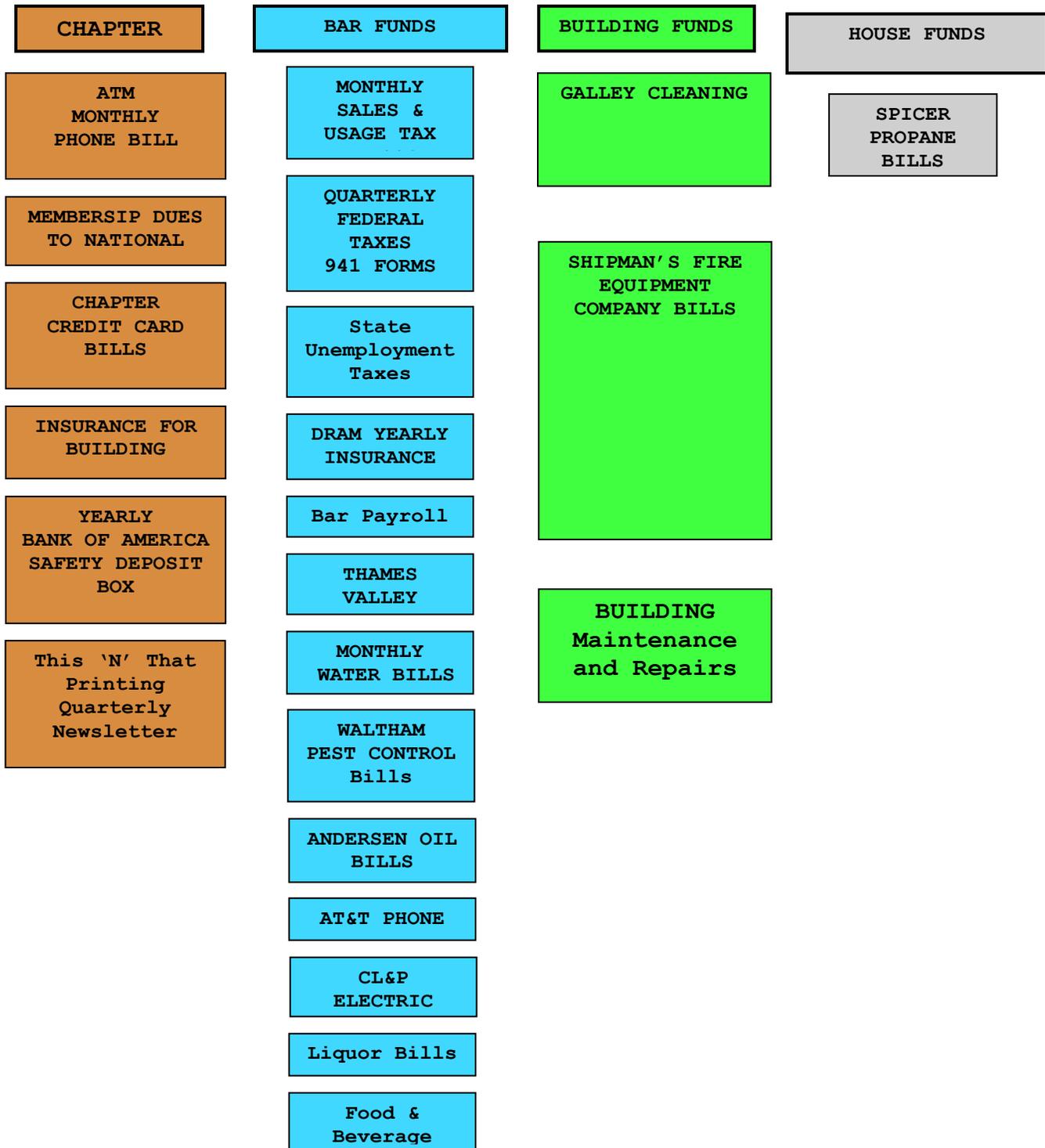
Disposition of request: (To be completed by the reviewer with original to file and a copy to the submitter.)

Committee Chair: _____

Date: _____

Appendix G - Financial Layout Plans, Flowcharts and Graphs

USSVI Groton Base Financial Layout Plan (August 2011)



Flowcharts

(Space reserved for future use)

Graphs

(Space reserved for future use)

Appendix H - References

Reference A – Guidelines for Monetary Donations

<http://www.irs.gov>

To deduct any charitable donation of money, regardless of amount, a taxpayer must have a bank record or a written communication from the charity showing the name of the charity and the date and amount of the contribution. Bank records include canceled checks, bank or credit union statements, and credit card statements. Bank or credit union statements should show the name of the charity, the date, and the amount paid. Credit card statements should show the name of the charity, the date, and the transaction posting date.

Donations of money include those made in cash or by check, electronic funds transfer, credit card and payroll deduction. For payroll deductions, the taxpayer should retain a pay stub, a Form W-2 wage statement or other document furnished by the employer showing the total amount withheld for charity, along with the pledge card showing the name of the charity.

These requirements for the deduction of monetary donations do not change the long-standing requirement that a taxpayer obtain an acknowledgment from a charity for each deductible donation (either money or property) of \$250 or more. However, one statement containing all of the required information may meet both requirements.

Reference B – Future Changes

NOTE: At the discretion of the Finance Committee or by direction of the Executive Board the Appendices, Forms, Flowcharts, Graphs, Pictorials and References of this Policy and Procedure Manual may be up-dated or changed without revision of the base document. Any changes to Appendices, Forms, Flowcharts, Graphs, Pictorials and References will be so recorded on the Finance P&PM Change Record Page, inclusive of approval signatures.