



# Money Matters and the Service Unit

Girl Scouts Heart of Central California | 6601 Elvas Avenue Sacramento, CA 95819 | [www.girlscoutshcc.org](http://www.girlscoutshcc.org)

## Service Unit Financial Guidelines

Service teams should create a yearly budget for service unit expenses at the beginning of the membership year. This budget should be reviewed monthly by the service team.

## Service Unit Budgeting

Every service unit has different needs. Listed below are some of the more common expenses and sources of income that service units will incur during the course of the year. Consider each of these and add items that relate to your unit.

Expenses might include event seed money (including deposits for sites), photocopies, postage, volunteer recognition/appreciation, start-up funds for new troops and financial assistance.

Take a look at last year's financial report and make an estimate of your needs for the upcoming year. Remember that if you are holding funds for disbanded troops, you must hold those monies for a year before using them for general service unit expenses.

Some of the service unit income will be as a result of disbanded troop funds that have been in the account over a year. You can also expect to receive funds from the council for the purpose of recognizing the adults. Each service unit receives \$35.00 plus \$.25 for each registered girl. The recognition manager is responsible for keeping track of how this was spent, but the money needs to go through the service unit account.

While it is preferred that service unit events are zero based (not intended to make a profit), sometimes a unit will build a little profit into the event. This is acceptable only if it is stated on the flyer.

Some of the money that goes into the account is transitory. This includes registration/family partnership money that is received from members of new troops that don't have a bank account yet. If your service unit collects money for the Juliette Low World Friendship Fund, it would be included in that category. These are not budgeted, although they are included on the financial report at the end of the year.

## Service Unit Account Guidelines

1. Service units maintain a bank account for the purpose of holding unit funds in a secure place.
2. Service unit funds can be used for unit events, start up funds for new troops, financial assistance for girls, service projects or adult recognitions and appreciation.
3. A service unit may not actively or intentionally overcharge for any event in order to raise funds for the service unit, unless the troops are notified that there is a specific goal the money is to be used for. A money earning application must be submitted to the membership director and follow the same money earning activity guidelines as troops. Funds leftover from an event may be refunded to troops or the service unit may vote to use the funds for future events.
4. A letter authorizing the service unit bank account may be obtained from the membership director.

5. If a service unit has a bank account it is required that the service team oversees and approves expenditures. Leaders must be informed at the monthly leader meeting of any unbudgeted expenditures over \$100. A minimum of three (3) persons shall be authorized to sign, at least two of whom shall be service team or administrative volunteers (council policy). Checks over \$100.00 require two signatures.
6. Receipts for collected funds and expenditures are to be kept in the unit records for two years.
7. A written financial report must be distributed to leaders quarterly (council policy).
8. A Service Unit Financial Report must be filed by July 15 with the membership director unless otherwise requested.
9. All service unit finance records are open to inspection by service unit members and Girl Scouts Heart of Central California staff at any time.

#### Guidelines for Handling Discrepancies in Troop Funds

At the time of appointment, a Girl Scout troop leader should be told that she or her designated representative is the custodian of troop funds. The troop leader is responsible to the Girl Scouts Heart of Central California board of directors for any monies collected in the name of Girl Scouts. Such monies are to be used only by the troop for troop activities. The troop leader is responsible for maintaining records and preparing reports, which reflect the status of funds within the troop.

If a troop leader fails to maintain records and prepare financial reports, the service unit manager or the service unit treasurer should review the situation with that troop leader and try to reconcile the problem. The following are guidelines applicable to more serious situations:

#### Inaccessible Troop Accounts

If a troop leader has moved, leaving no records, no accounting of funds and no access to the troop bank account and the service unit manager or treasurer has exhausted all means at her disposal to determine the status of the account; she should consult directly with the membership staff for support and advice. This situation can be avoided by having the members of the service team as co-signers for all troop bank accounts.

#### Misappropriation of Troop Funds

If it is suspected or established that there has been a misappropriation of funds, the following steps should be taken:

1. The service unit manager or her/his representative, depending on circumstances, may request any one or a combination of the following actions:
  - a. Auditing of troop monies
  - b. Freezing bank account
  - c. Collecting all monies outstanding or on hand
  - d. Collecting all reports, funds, records, property, etc.

If personal contact is not possible, a certified letter with a specific reply date should be sent requesting an appointment for accounting of the funds.

2. If the matter cannot be reconciled at the service unit level, it should be submitted to the membership director for further action, giving background and progress to date. This could result in suit against the responsible adult(s).
3. Service unit personnel should not use their personal funds to cover a deficit.

#### Handling Troop Funds and Supplies When Changing Leadership

1. If new leadership has been recruited, the retiring leader should transfer all supplies, financial records, petty cash, and bank account information and materials to the new leader. Signatures on the bank account will need to be changed.
2. Generally, it is better not to close the bank account (because it may be difficult to find banks that will open non-profit accounts without fees). Banks usually provide a new signature card, which both the retiring leader and the new leader must sign.
3. If new leadership has not been recruited and the troop is continuing, give all supplies, financial records, petty cash, and bank account information to the designated service team member.

#### Handling Troop Funds When A Troop Disbands (Safety-Wise, pg. 29)

1. Decide with the currently registered girls what to do with the troop's funds. Funds should be used for troop activities and may not be refunded directly to the girls.
2. Within 30 days of completion, turn in to Service Unit manager, a notice of disbanding troop (#656). Complete and turn in a final Annual Troop Financial Report, showing how all monies have been used. Remaining troop funds are to be given to the service unit manager/treasurer immediately after disbanding, and are to be held in the service unit account. If the troop is reorganized within a year, the monies will be returned. If the troop is not reorganized within one year, the funds can be used by the service unit for the benefit of the girls.

If all of the girls are placed in existing troops, the remaining troop funds may be divided proportionally and given to the troops in which the girls were placed. Example: 10 girls in Troop A with \$80 left in the treasury. 5 girls go to Troop B, 2 girls go to Troop C and 3 go to troop D. Dividing \$80 among the 10 girls would give \$8 per girl. Therefore, Troop B would receive \$40, Troop C would receive \$16 and Troop D would receive \$24. If girls are not placed into existing troops, see "2" above. Money is never given to the individual girl.

#### Handling Service Unit Funds when a Service Unit disbands or splits

1. When a SU disbands and joins bordering units, the SU funds are to be proportionally transferred to the new SU's. The amount of money is to be determined by number of girls in volunteer led troops joining a new SU.

When a new service unit is formed by splitting of a service unit, the money is divided proportionately by the number of girls registered in volunteer led troops.