East Kingdom Financial Policy

Approved: April 12th, 2014

I. GENERAL STATEMENT AND PURPOSE

The purpose of the East Kingdom Financial Policy is to document all rules, procedures, and precedents pertaining to the Kingdom of the East and its funds, and the Office of the Exchequer.

A. These policies will be reviewed and revised, if necessary, at least once per year by the Kingdom Chancellor of the Exchequer.

B. These policies will be revised whenever appropriate due to changes in the Governing Documents of the Society, Society Financial Policy, or East Kingdom Law.

C. These policies and their application may be changed at any time by the Council of the Exchequer as deemed would best serve the interests of the Kingdom or the SCA provided such changes do not violate Society Financial Policy.

D. All changes to these policies must be approved by the Council of the Exchequer and submitted to the Society Exchequer for approval by the Board of Directors.

E. In case of conflict with civil law, or SCA Inc., regulation or policies, those documents take precedence.

II. COUNCIL OF THE EXCHEQUER

The Council of the Exchequer is the East Kingdom Financial Committee and will consist of the Kingdom Chancellor of the Exchequer, the Deputy Chancellor of the Exchequer, the Kingdom Seneschal, the Crown, the Heirs, and 4 Society members who reside in the East Kingdom (preferably one from each region) to be selected by the Kingdom Chancellor of the Exchequer.

A. Selection of Council Members

1. The Kingdom Chancellor of the Exchequer, the Deputy Chancellor of the Exchequer, the Kingdom Seneschal, The Crown, and the Heirs will hold their positions on the Council for the duration of their terms in office.
2. Remaining Council members will hold their position for a term of two years. Upon the completion of their term, such a Council member may request to serve an additional term.
3. The Kingdom Chancellor of the Exchequer will announce vacant Council seats in Pikestaff with a request for interested individuals to submit resumes. Resumes are to be sent to the Kingdom Chancellor of the Exchequer, accompanied by proof of SCA membership and proof that the applicant is of legal age for the state/province in which they reside.

III. REGIONAL DEPUTIES

The Kingdom Chancellor of the Exchequer will have a deputy in each region.

A. Duties

Each Regional Deputy is responsible for receiving and reviewing copies of all event reports and all quarterly reports from branches within their region. The Regional Deputy will help branch Chancellors of the Exchequer to resolve any errors in their quarterly reports. The Regional Deputy will conduct financial reviews of local branch records at the request of the Kingdom Chancellor of the Exchequer. The Regional Deputy is encouraged to arrange a regional symposium for branch Chancellors of the Exchequer every other year.

B. Selection

The Kingdom Chancellor of the Exchequer will announce vacant Regional Deputy positions in Pikestaff with a request for interested individuals from that region to submit resumes. Resumes are to be sent to the Kingdom Chancellor of the Exchequer, accompanied by proof of SCA membership and proof that the applicant is of legal age for the state/province in which they reside.

IV. NMS DEPUTY

The Kingdom Chancellor of the Exchequer will have a deputy for the Non-Member Surcharge (NMS).

A. Duties

The NMS Deputy is responsible for receiving all NMS reports and checks from branches within the Kingdom. The NMS Deputy will deposit all NMS checks monthly and provide an NMS Deposit report to the Kingdom Chancellor of the Exchequer. The NMS Deputy will keep track of events happening within the Kingdom and will work to local branches to ensure that the NMS requirements are being met.

B. Selection

The Kingdom Chancellor of the Exchequer will announce a vacant NMS Deputy position in Pikestaff with a request for interested individuals to submit resumes. Resumes are to be sent to the Kingdom Chancellor of the Exchequer, accompanied by proof of SCA membership and proof that the applicant is of legal age for the state/province in which they reside.

V. FINANCIAL ADMINISTRATION

A. Bank Accounts

1. All Branches or entities in the East Kingdom that collect and hold funds in the name of the SCA are required to have dual-signature bank accounts.
    a) The Kingdom Chancellor of the Exchequer, or designated representative, will be listed as a signatory on all accounts.
    b) Branch accounts will have the Seneschal and Chancellor of the Exchequer of the branch listed as signatories. Additional signatories may be listed at the branch's discretion, provided such listing does not violate Society Financial Policy.
    c) The signatories for a given account may not be related by blood or marriage, nor may they reside at the same address.
    d) Royalty and their heirs may not be signatories on any SCA account.
    e) All account signatories must be paid members of the SCA Inc.

f) Upon being added as a signatory to an account, all individuals will submit evidence of personal legal identification and proof of membership, including their full name and address, to the Kingdom Chancellor of the Exchequer along with a copy of the signature card for the account.

g) If a non-branch account, or in the rare circumstance when the Kingdom Chancellor of the Exchequer has waived the requirement for a dual-signature account and allowed the use of a single-signature account, the Kingdom Chancellor of the Exchequer will determine who will be listed as signatories on the account. Sections c, d, e, and f above still apply.

2. All accounts must be in the name of "Society for Creative Anachronism, Inc. <name of branch or entity>" or “Society for Creative Anachronism <state subsidiary>, Inc. <name of branch or entity>” and bear the SCA's federal tax ID number, which is 94-1698556, or that of the appropriate subsidiary. No one will hold funds for the SCA or for the East Kingdom in accounts belonging to other organizations or in personal accounts.

3. It is acceptable for more than one group to pool assets in one SCA account as long as the assets can be allocated to the individual groups by the Chancellor of the Exchequer responsible for the account.

4. Bank statements for dual-signature accounts will be sent to the Chancellor of the Exchequer. Bank statements for single-signature accounts will be sent to the Seneschal (unless the Seneschal is the sole signer on the account), or other responsible person, who will then forward them to the Chancellor of the Exchequer after review.

5. The Kingdom Chancellor of the Exchequer will hold a financial review of the accounts of all branches at least once every 2 years on a schedule to be determined by the Kingdom Chancellor of the Exchequer. The Kingdom Chancellor of the Exchequer may also require a financial review of any branch’s account at any time upon 30 days’ written notification to that branch’s Chancellor of the Exchequer and Seneschal.

B. Branch Financial Committee

Per Society Financial Policy, all local branches that hold money in the name of the SCA are required to have a Financial Committee. The Financial Committee must operate in accordance with: the Branch Financial Policy, if one exists, or the East Kingdom Branch Financial Policy, if the branch does not have their own policy; the East Kingdom Financial Policy; East Kingdom Law; Governing Documents of the Society; and Society Financial Policy.

C. Branch Budgets

Normally, branches and other entities will establish yearly budgets. The Financial Committee must authorize the yearly budget and all unbudgeted expenditures in advance. If a yearly budget is established, it must be made available to the local branch.

D. Fundraising

Branches with a Chancellor of the Exchequer may raise money in the name of the SCA without special approval provided that the money raised is in the furtherance of the SCA’s exempt purpose and will be used within the modern law and SCA regulations and guidelines. Kingdom

Officers, guilds, orders, and other entities may raise money in the name of the SCA only if they have a Chancellor of the Exchequer who has been confirmed in that office by the Kingdom Chancellor of the Exchequer. In some cases the Chancellor of the Exchequer may be the same as the officer or leader of the order/guild/entity in question. All checks must be made payable to "SCA, Inc. <name of branch or entity>" or "SCA <state subsidiary>, Inc. <name of branch or entity>" and deposited in an SCA bank account. The Kingdom Chronicler is instructed not to publish in Pikestaff any event announcement stating that checks are to be made payable to any non-SCA account.

E. Donations

1. All Chancellors of the Exchequer may accept and provide receipts for cash donations. The Chancellors of the Exchequer must report donations received on their quarterly reports. The Kingdom Chancellor of the Exchequer may accept and provide receipts for cash donations to the Royalty and Kingdom Officers. The Kingdom Chancellor of the Exchequer will track such donations in special funds. The Kingdom Chancellor of the Exchequer may use these funds to reimburse Royalty and Kingdom Officers for expenses upon presentation of receipts.

2. Non-monetary donations, such as equipment, supplies, or items for resale, with a value in excess of $500 require prior approval of the Kingdom Chancellor of the Exchequer. The Kingdom Chancellor of the Exchequer will issue the receipt. The donor individual or business is responsible for setting the value of the donation; we are not to place a value on items donated. In addition, the branch financial committee must actually see the donation before accepting it. Branches may not accept any debts or obligations attached to donated property or services.

F. Expenditures

Territorial groups may expend funds in accordance with Society and East Kingdom Financial Policy. Kingdom Officers and Royalty may expend funds to the extent authorized by the annual budget. Guilds, orders, and other entities may expend funds in the name of the SCA only if they have an official Chancellor of the Exchequer who has been confirmed in that office by the Kingdom Chancellor of the Exchequer. Such expenditures must be made in accordance with the charter of the group and Society and East Kingdom Financial Policies.

G. Event Finances

1. Before publishing an event announcement, the autocrat will discuss finances of the event with the local Chancellor of the Exchequer. The autocrat should prepare a budget for approval by the local finance committee in accordance with the local group's procedures.

2. Expenses of Kingdom Events are borne by the local group sponsoring the event. When preparing a bid for Kingdom Events as defined by Kingdom law, the group should contact the appropriate kingdom officer for a written estimate of costs related to running the primary activity. The group shall submit a proposed budget that includes these costs as part of their bid package. A copy of the budget shall be sent to the Kingdom Chancellor of the Exchequer.

3. The Chancellor of the Exchequer may only reimburse allowable event expenses upon presentation of a receipt in accordance with the event's budget and local branch procedures.
4. The Chancellor of the Exchequer may provide advance funds for budgeted event expenses. A signed cash advance form will be required from the recipient prior to disbursement. The recipient must provide receipts and/or repayment to cover the total amount disbursed either within 60 days of the advance, or not later than 15 days after the event, whichever date is earliest.
5. The Chancellor of the Exchequer, or designated representative, and the autocrat, or designated representative, are responsible for collecting all proceeds from the event and reconciling them to the attendance records. During the event, using money from the cash box for expenses is not allowed. All event proceeds must be deposited in the appropriate account as soon as possible.
6. All checks for event attendance must be made payable to "SCA, Inc. - <name of group>" or "SCA <state subsidiary>, Inc. - <name of group>" and deposited in the group's bank account.

VI. Kingdom Finances

A. Budget.

1. The Kingdom Chancellor of the Exchequer will prepare a budget for the following year and present it to the Council of the Exchequer for approval before the end of the calendar year. A majority vote of the Council is required for a budget approval. Each member of the Council has one vote. The Crown is considered one member and has one vote. The Heirs are considered one member and have one vote. The Kingdom Chancellor of the Exchequer only has a vote in the event of a tie. Approved budget items must be in accordance with Society Financial Policy.
2. During the course of the year, additions and modifications may be made to the budget by a vote of the Council of the Exchequer.

B. Expenditures

1. The Kingdom Chancellor of the Exchequer may only reimburse allowable expenses upon presentation of a receipt subject to the following:
   a) The Kingdom Chancellor of the Exchequer may reimburse expenses upon request as long as they are in accordance with the approved budget.
   b) The Kingdom Chancellor of the Exchequer may make disbursements from the special named funds as long as the expenses are in accordance with those funds.
   c) If neither of the above conditions apply, the expense must be presented to the Council of the Exchequer for approval before the Kingdom Chancellor of the Exchequer can make the reimbursement.
   d) Expenses will not be reimbursed if they violate any local laws or Federal Law, regardless of the amount or hardship presented to the person requesting reimbursement.

Expenses will not be reimbursed if doing so is considered likely to jeopardize the SCA's tax-exempt status.

e) Travel expenses are reimbursed for Kingdom Officers and Royalty attending events as part of their office beyond those they would be attending had they not held the office. Reimbursements can be given for hotels, airfare and mileage (at the IRS non-profit rate). Expenses for meals and other food are not reimbursable.

2. Advances

The Chancellor of the Exchequer may provide advance funds for budgeted items. A signed cash advance form will be required from the recipient prior to disbursement. Receipts or repayment must be provided to cover the total amount disbursed within 60 days of the advance.

3. Emergency Expenditures

In an emergency, unbudgeted expenditures may be authorized by a majority vote of the following four members of the Council of the Exchequer, Kingdom Chancellor of the Exchequer, Seneschal, Crown, and Heirs.

C. Regalia

The Council of the Exchequer will work in concert with the Kingdom Chamberlain to handle purchase requests for the Kingdom. All bids will be submitted to the Council for review and selection. Upon selection of a bid, the Chamberlain will notify the persons submitting bids of the results and coordinate the purchase of the approved item. All receipts for the approved purchase will be submitted to the Chancellor of the Exchequer and reviewed against the approved bid. These receipts will be handled following the same process for other kingdom expenses.

D. Dedicated Funds

1. All dedicated/special purpose funds will described in the East Kingdom Dedicated Funds document. This document will be maintained by the Kingdom Exchequer and be available from the Kingdom Exchequer website. The document will be updated whenever the Council of the Exchequer creates a new fund or when an existing fund is closed.

2. The description of a dedicated fund must answer the following questions:

a) Where does the fund money come from?

b) What is the primary purpose of the fund?

c) What, if any, is the secondary purpose of the fund? (If the primary purpose cannot be fulfilled or if there are additional funds after the primary purpose has been fulfilled)

d) What is the time period that the fund will be active?

3. At the end of the time period (which can be indefinite), any remaining funds will be returned to the Kingdom General Fund.

VII. THE OFFICE OF CHANCELLOR OF THE EXCHEQUER

A. Qualifications

All persons who wish to become a Chancellor of the Exchequer should have some experience with bookkeeping procedures and accounting. The Chancellor of the Exchequer must prove an ability to reconcile bank statements to the branch account, to produce quarterly reports, and to comply with requests from the Kingdom Chancellor of the Exchequer for information. The Chancellor of the Exchequer should have regular access to email and spreadsheet software such as Excel or OpenOffice. Knowledge of tax law regarding nonprofit organizations is a plus.

B. Selection and Appointment

1. The outgoing Chancellor of the Exchequer and the incoming Chancellor of the Exchequer, and the seneschal of the group should all write to notify the Kingdom Chancellor of the Exchequer of the proposed change. A joint letter is acceptable. The incoming Chancellor of the Exchequer must notify the Kingdom Chancellor of the Exchequer that s/he is of legal age in the state/province of residence, provide name, address, phone number, and proof of SCA membership. In addition, the new Chancellor of the Exchequer should confirm receipt of files from the previous Chancellor of the Exchequer. Finally, the new Chancellor of the Exchequer must change over the signatures on the local SCA bank account.
2. Whenever possible, the Kingdom Chancellor of the Exchequer will accept the designated choice of the local group. However, Chancellors of the Exchequer are not official until they receive notice from the Kingdom Chancellor of the Exchequer regarding their appointment.
3. All Chancellors of the Exchequer have a term of office of 1 year, expiring on February 15. If the end of year report was submitted on time, and the Chancellor of the Exchequer remains a member, the Chancellor of the Exchequer is automatically renewed unless otherwise notified.

C. Removal from Office

1. Chancellors of the Exchequer (including the Kingdom Chancellor of the Exchequer) may be removed from their office for failure to perform their duties in accordance with Kingdom law and published financial policies of the Society and East Kingdom, including but not limited to the following offenses:
    a) Failure to maintain funds of the Society/Kingdom separate from their personal funds, and/or misappropriation of funds.
    b) Consistent failure to file timely, accurate reports required by the Kingdom or Society, including but not limited to failure to file quarterly reports and year-end financial statements.
    c) Inability to cooperate with other officers of the branch or with the Kingdom officers on a consistent basis.
    d) Failure to maintain adequate books and records for the branch with which they hold office.
2. Removal of a Chancellor of the Exchequer from office will proceed after the following steps are followed:

a) A written complaint must be filed with the Kingdom Chancellor of the Exchequer (or the Kingdom Seneschal if the Kingdom Chancellor of the Exchequer is the subject). This complaint should provide detail on the reason the removal is requested, and provide documentation, if available, of the problem encountered with the Chancellor of the Exchequer. The complaint must also address the steps taken at the local level to address the problem. The Chancellor of the Exchequer in question must receive a copy of this complaint.

b) The Chancellor of the Exchequer in question will have 15 days from the receipt of the complaint to respond to the allegations or provide proof of their inaccuracy. An extension of time to present this evidence may be requested from the Kingdom Chancellor of the Exchequer. The length of the extension will be determined by the Kingdom Chancellor of the Exchequer depending on the facts and circumstances of the allegations, and the cause of the delay in obtaining these records.

c) A review of the local branch's records will be performed by the Kingdom Chancellor of the Exchequer, or appointed deputy, within 30 days of receipt of a complaint regardless of the nature of the complaint. The local branch is responsible for making sure that all books and records are provided for this review.

d) The Kingdom Chancellor of the Exchequer will make a final decision within 60 days of receipt of the initial complaint, plus any extensions granted in paragraph b above.

D. Reporting

1. All branches within the kingdom will be responsible for filing financial reports with the Kingdom Chancellor of the Exchequer or designated deputy. The responsibility for filing these reports is with the branch Chancellor of the Exchequer. If, for any reason, the branch Chancellor of the Exchequer is unable to file these reports, the branch seneschal is responsible for the filing.

2. A general ledger is a document that specifies the following items for a transaction: date, check number (if any), received from or paid to, dollar amount, an explanation for the deposit or check, and SCA income or expense category. The person to whom a report is being given determines if the ledger is detailed enough for acceptance. Chancellors of the Exchequer may contact the Regional Deputy for assistance in setting up a general ledger. The preferred ledger for the East Kingdom is included on the Freeform page of our SCA Financial Report.

3. Required reports are as follows:

a) The branch Chancellors of the Exchequer are to submit their annual report to their Regional Deputy with a copy to the Kingdom Chancellor of the Exchequer by January 31st. Branch Chancellors of the Exchequer may request one two week extension from the Regional Deputy. The annual report must include at a minimum, a cumulative SCA Financial Report, a general ledger, copies of all bank statements and cancelled check images not previously sent for the period 1 January - 31 December.

b) The quarter reports use the same forms and must meet the same requirements as the annual report. These reports are due to the Regional Deputies by April 30th (Q1), July 31st (Q2), and October 31st (Q3). The branch Chancellors of the Exchequer may request one two-week extension from the Regional Deputy. This report must include at a minimum, a cumulative SCA Financial report, a general ledger, copies of all bank statements, and cancelled check images for the reporting period.

c) Computer generated forms and ledgers are preferred for all reports.

d) The autocrat prepares the event report and submits it to the Branch Chancellor of the Exchequer for review and approval. The Branch Chancellor of the Exchequer must submit the event report within 30 days of the event to the Regional Deputy and the Kingdom Chancellor of the Exchequer. The Branch Chancellor of the Exchequer may request an extension from the Regional Deputy. The report must contain information in sufficient detail so that it can be used to help fill out the quarterly reports. The event report must include the number of attendees and the prices charged for each attendee by category, for example: site fee adult, site fee child, feast fee adult, etc. The event report form can be found on the Exchequer website. Event reports should be submitted electronically.

e) The NMS report is due 2 weeks after the event and the NMS check is due within 4 weeks of the event. The NMS report form can be found on the Exchequer website. NMS reports should be submitted electronically.

f) Any other reports that may be requested by the Kingdom Chancellor of the Exchequer, Kingdom Seneschal, or Corporate Officers. Due dates will be set at that time and must be complied with.

4. A copy of the Comparative Balance Sheet and Income/Expense Statement from the annual report must be made available to the membership at least annually, whether published in a newsletter or distributed to the membership in some other form.