

# FINANCIAL POLICIES OF SCA-PENNSIC WAR INC.

## PREAMBLE

These are the policies governing the financial operations of SCA-Pennsic War, Inc. (Pennsic), a Pennsylvania corporation and subsidiary corporation of the Society for Creative Anachronism, Inc. All previous versions of financial policies are revoked. The policies contained herein shall apply by simple majority agreement of the Pennsic Financial Committee (PFC) and approval by the SCA Society Exchequer.

## PURPOSE OF THE COMMITTEE

1. In compliance with The Chancellor of the Exchequer Kingdom Officer's Reference Handbook October 2007, and The SOCIETY FOR CREATIVE ANACHRONISM, INC, FINANCIAL POLICY Approved April 12, 2015 this PFC is duly constituted and takes its authority for above referenced documents and other governing documents of the SCA Inc.
2. The PFC acts as an advisory body for the Pennsic Seneschals Group (PSG) regarding financial matters.
3. The PFC reports to, and is responsible to, the PSG. The PFC works at the direction of the PSG, with the Pennsic Exchequer acting as the primary liaison for communicating financial matters between the PSG and the PFC.
4. The PFC shall be the ultimate voting body and authority for all Pennsic budgets, expenditures, and all non-budget expenditures for Pennsic. Each duly appointed member shall have one vote and all matters shall be subject to a simple majority vote for passage or rejection.
5. Term limits of individual members of the PFC, shall correspond to their letters of appointment to office (Warrant).

## MAKEUP OF THE COMMITTEE

The PFC consists of seven (7) members:

1. The Pennsic Exchequer;
2. The Kingdom Exchequer of the East;
3. The Kingdom Exchequer of the Middle;
4. The Kingdom Exchequer of Æthelmearc;
5. The Current Year Mayor;
6. The next year's Mayor;
7. And Dependent upon the time of year, either last year's Mayor or second year future Mayor. (See Appendix-B of the current Pennsic Admin Policy for further clarification).

## THE OFFICE OF PENNSIC EXCHEQUER REQUIREMENTS AND DEFINITIONS

1. The Pennsic Exchequer is the chief financial officer for Pennsic and shall act as chair of the PFC.
2. The Pennsic Exchequer is a deputy of the Society Exchequer, as per the policies of the SCA, Inc. Pennsic Exchequer is a member of the overall Pennsic team and that he/she reports to the Mayor and PSG.
3. The Pennsic Exchequer must be a warranted officer per the policies of the SCA, Inc. This includes keeping his/her membership current during the entire time of his/her term as Pennsic Exchequer.
4. The Pennsic Exchequer may appoint any and all deputies he/she deems needed to fulfill the duties of this office.
5. The Pennsic Exchequer must have at minimum an emergency deputy who is prepared to take over immediately in the event that he/she cannot continue or is removed. Being prepared includes keeping his/her membership current during the entire time of his/her term as emergency deputy.

## GENERAL RESPONSIBILITIES

### RESPONSIBILITIES OF THE PFC INCLUDE THE FOLLOWING:

- 1) Approve or submit for revisions the Pennsic budget within 30 days of initial submission;
- 2) Approve or disallow any Pennsic Special Project budgets within 30 days of initial submission;
- 3) Approve annual Pennsic Exchequer administrative budget;

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- 4) Approve or disallow expenses not previously approved;
- 5) Approve items by a positive response from a majority of the responding members (Items which result in a tied vote will be referred to the Kingdom Seneschals Group (KSG), which will cast the deciding vote.);
- 6) Review and update, as necessary, the budgeting guidelines; and
- 7) Approve emergency expenses with a positive response from the Mayor, Pennsic Exchequer and any other member of the PFC within 24 hours.

## **RESPONSIBILITIES OF THE PENNSIC MAYOR (AUTOCRAT) INCLUDE THE FOLLOWING:**

- 1) Serve as a member of the PFC;
- 2) Create the Pennsic budget;
- 3) Create any special budgets for Special projects; and
- 4) Submit a list of people who may submit expenses for reimbursement.

## **RESPONSIBILITIES OF THE PENNSIC EXCHEQUER INCLUDE THE FOLLOWING:**

- 1) Serve as a member of the PFC;
- 2) Prepare the quarterly and year-end reports required by the Society Exchequer, as well as other reports as may be required by that office;
  - a. Quarterly reports shall be prepared, and submitted to the Society Exchequer
    - i. First Quarter – April 30
    - ii. Second Quarter - July 31
    - iii. Third Quarter – October 31
    - iv. Fourth Quarter – January 31 (cumulative)
  - b. If required by the Society Exchequer, a consolidated year-end report must be submitted by March 15 follow
- 3) Prepare monthly financial reports for the Pennsic Mayors on the current status of income and expenses of the event (such as actual expenses incurred versus budgeted expenses), to be submitted to the Mayors no later than 10 days from the end of the preceding month;
- 4) Alert the Pennsic Mayors and the PFC when requests for reimbursement may exceed the budgeted allowance; and
- 5) Disburse approved allowable reimbursements within 30 days of receipt of acceptable documentation.

## **ADDITIONAL RESPONSIBILITIES INCLUDE:**

1. Budgeting: Mayors shall submit the first draft of their Pennsic Budget to the PFC no later than one year prior to their Pennsic. This budget must identify any special projects. The final draft must be submitted at least 30 days before expenditures need to begin for their Pennsic.
2. Mayors shall submit final budgets for Pennsic Special Projects to the PFC at least (30) days before expenditures need to begin for the Special Project. Expenditures for the Special Project must be completed within three (3) years of the approved date.
3. All budgets shall contain an estimate of income as well as expenses.
4. Reimbursement of expenses above authorized amounts can be denied. The decision may be appealed to the PFC.
5. Funds may be reallocated within the budget with the approval of the Pennsic Mayor and the Pennsic Exchequer. This reallocation may not change the total amount of the budget.
6. A special line item may be included in the area of the budget called Management Reserve. This line item shall be no more than 5% of the total Pennsic budget and its funds shall be used at the discretion of the PFC when other line items go over their allocated amounts.
7. The Pennsic Exchequer shall be notified in advance of fundraisers for any SCA entity to be held at Pennsic.

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8. Pennsic has many non-cash assets that are used at Pennsic. Use of these assets at other SCA activities or by Pennsic Staff outside of Pennsic, (save property required by a duly appointed Pennsic Staff member in order to fulfill their “off-season” duties and the completion of a Lease Agreement for said property), shall be prohibited.
9. The Pennsic Exchequer shall maintain an inventory of these assets, including their location and condition.
10. For any areas not specified in this policy, refer to the Chancellor of the Exchequer’s Officer Handbook.

## ADDITIONAL PROVISIONS

### MEETINGS

1. The PFC shall meet in person annually at a time and date mutually agreeable to all parties, during Pennsic War.
  - a. A quorum to conduct business shall be at least 4 voting members in attendance.
    - i. A member of the PFC who is not able to attend the Pennsic War may send an authorized representative in their stead and authorized to vote in the name of the absent PFC member.
    - ii. Should a representative not be sent, the PFC may conduct business, provided a quorum are present,
  - b. Proper corporate style minutes of this meeting.
  - c. The purpose of this meeting shall be to review any current financial policy of Pennsic; updating said policy due to changes in SCA Financial Policy or modern law, and other such items the PFC may wish to consider.
2. During “non-Pennsic” times, the PFC shall meet via an electronic forum/mail group/email-list for which to conduct the business of the PFC. All members of the committee shall have access to said electronic forum. Others, at the discretion of the PFC Chair may be invited to this electronic forum, as observers, commentators, or counsellors, but shall not be granted voting privileges.
3. Any electronic forum shall have the ability to archive the respective emails or comments showing the actions of the PFC for any item or items for which a vote was required, and printed for inclusion in the minutes referenced above.
4. Any member may propose actions and voting items to the PFC.
  - a. All items which require a vote shall be processed in the following manner: Motion for action; Second on the motion; discussion of the item and reworking if needed; call for a vote, and voting on the matter.
  - b. As described above, a simple majority of the voting members in the affirmative shall pass the matter, and if in the negative shall fail the matter. Unless otherwise provided for, passage or rejection of the matter, shall take effect immediately.
  - c. Except at the annual meeting, the timeframe for voting shall be 14 days from the call for a vote.

### CONTROLLING CASH RECEIPTS

1. Cash receipts shall include, but is not limited to:
  - a. event income of all types,
  - b. money collected from advertised fund raising endeavors,
  - c. donations,
  - d. money from the sale of goods purchased with group funds.
2. The Pennsic Exchequer shall receive any and all cash receipts on behalf of Pennsic.
  - a. In the event the Pennsic Exchequer is unavailable for any reason, a duly warranted Pennsic Deputy Exchequer shall act in stead of the Pennsic Exchequer as regards this section of the Pennsic Financial Policy.
  - b. **All cash receipts shall be counted two unrelated parties and notation of amounts shall be recorded.**
3. Cash receipts of any type, must be deposited in the appropriate account no later than **10** calendar days after the receipt by an officer of the SCA.
  - a. No incoming funds of any type are to be kept out of the appropriate account longer than the above timeframe.
  - b. Undeposited income of any type is not to be used for refunds, reimbursements or expenses.
4. All disbursements will be made to an entity (individual or business) by signed checks, online payment (where applicable). No disbursements by cash.

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5. Disbursements in advance of a purchase must be documented beforehand and will be treated as receivable items until they are reconciled by presentation of receipts and/or cash totaling the amount of the advance. Reconciliation of advances must occur within 60 days of the disbursement.

## COMPLIMENTARY PASSES

From time to time, the PFC, upon request of the Mayor, may grant complimentary passes to Pennsic for key personnel required to administer Pennsic subject to the following:

1. In any current year, the Mayor must have included in his/her approved budget, a specific line item or line items for this purpose, often times noted as *Gate Refunds*.
2. Before or at the Annual Meeting, the Mayor will submit a list of key personnel (which may include the Mayor) for which passes are requested, along with any reasoning behind the requests.
3. The total dollar amount of this request shall not exceed the total dollar amount of the aforementioned line item(s).
4. The PFC will approve all, some or none of the individuals listed as part of its normal business agenda for the Annual Meeting.
5. Upon approval of the individuals the reimbursement process shall be as follows:
  - a. The individual(s) shall present their gate receipt to the Exchequer.
  - b. The amount to be reimbursed shall be calculated on the individual's total entry payment to Pennsic.
  - c. The Pennsic Exchequer shall issue a check in accordance with normal accounting procedures used by the SCA.

## STANDARD DISTRIBUTION CALCULATION

As defined in the Administrative Policy of Pennsic War the following shall be the distribution of revenues over expense:

- a. **Budget Line Items for the three Kingdoms.** It is agreed that the Autocrat will include in any and all budgets presented for approval, three (3) expense line items which will be considered as a Guaranteed Payment to the principal Kingdoms, and shall be equal amounts for each Kingdom.
  - i. The minimum amount the Autocrat shall be required to include in his/her budget for each of the above, shall be \$7,500.00 (Or 2.5 percent of the total expected revenue, whichever is less) in each expense line item.
  - ii. It is understood that for the purposes of distribution of excess net profits, the items included in this section shall be treated as any other expense item in the Pennsic Budget and deducted from the gross revenue to arrive at Net Profits.
  - iii. The Exchequer shall deliver to the Kingdom Exchequers by October 1 of the same year which Pennsic has been held, checks for the Guaranteed Payment so noted in VI.a above.
- b. **Distribution of Excess Net Profits.** If, with the filing of the yearend report, there are net profits in excess of actual expenses for any given Pennsic, the excess net profits will be distributed as follows:
  - i. 16 Percent of net profit to the East Kingdom
  - ii. 16 Percent of net profit to the Middle Kingdom
  - iii. 16 Percent of net profit to Kingdom of Æthelmearc
  - iv. 52 Percent shall be retained by Pennsic to ensure the continued operation of Pennsic.
    1. Pennsic shall then allocate one-half ( 50%) of its profit to the Contingency Fund
    2. And the remainder being added to the Special Projects Fund.
  - v. Kingdom distributions shall be sent no later than 30 days after filing of the yearly closing report.
- c. **Pennsic Contingency Fund:** The goal for the Pennsic contingency fund is 150% of the prior year's actual expenses, plus the amount of any special projects budgeted for the next war. Should the contingency fund ever exceed this amount, any excess will be added to the Pennsic Special Projects Fund.
- d. **Pennsic Special Projects Fund:** These funds may be used for expenses that are above or beyond the normal operating budget of Pennsic. Pennsic Special Projects may include, but are not limited to: commemorative site medallions, a commemorative publication, Items which have multi-year usage. A separate budget for any and all special projects must be submitted in addition to the general budget required in this document.

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## SIGNATURES:

THE FOLLOWING MEMBERS HAVE VOTED AFFIRMATIVE FOR THIS POLICY

Member 1 – Pennsic Exchequer (Modern Name Print)\_\_\_\_\_

\_\_\_\_\_  
DATE \_\_\_\_\_  
Signature

Member 2 - Kingdom Exchequer of the East; (Modern Name Print)\_\_\_\_\_

\_\_\_\_\_  
DATE \_\_\_\_\_  
Signature

Member 3 - Kingdom Exchequer of the Middle; (Modern Name Print)\_\_\_\_\_

\_\_\_\_\_  
DATE \_\_\_\_\_  
Signature

Member 4 - Kingdom Exchequer of Æthelmearc; (Modern Name Print)\_\_\_\_\_

\_\_\_\_\_  
DATE \_\_\_\_\_  
Signature

Member 5 - The Current Year Mayor; (Modern Name Print)\_\_\_\_\_

\_\_\_\_\_  
DATE \_\_\_\_\_  
Signature

Member 6 - The next year's Mayor; (Modern Name Print)\_\_\_\_\_

\_\_\_\_\_  
DATE \_\_\_\_\_  
Signature

Member 7 – Mayor as define above. (Modern Name Print)\_\_\_\_\_

\_\_\_\_\_  
DATE \_\_\_\_\_  
Signature

Society Exchequer (Modern Name Print)\_\_\_\_\_

\_\_\_\_\_  
DATE \_\_\_\_\_  
Signature