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## **Associates of Vietnam Veterans of America, Inc.**

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##### **I. FINANCE & ACCOUNTING: *Policies and Procedures***

- A. **PURPOSE:** To establish a policy and a set of procedures for the proper handling, recording, reporting, and safeguarding of AVVA's assets. Forthwith known as the Corporation.
- B. **RESPONSIBILITY:** The National Treasurer, in conjunction with the Finance Committee, shall be responsible for the proper performance of, and adherence to these Policies and Procedures.
- C. **ACCOUNTING METHOD:** The prescribed method of accounting shall be the Cash Method of Accounting.

##### **II. FINANCE & ACCOUNTING: *Records and Standard Practices***

- A. **RECORDS:** Shall refer to the official financial ledgers, checkbook, insurance policies, financial papers, Finance Committee minutes and reports, tax filings, and all other documents related to financial matters of the corporation.
- B. **STANDARD PRACTICES**
  - 1. The National Corporation shall conform to all appropriate federal, state, local, and District of Columbia Laws.
  - 2. All federal, corporate, and tax reporting requirements, including the IRS 990 Tax Return, shall be completed to meet IRS, state, and local government deadlines.
  - 3. The Corporation shall maintain complete and accurate financial records in accordance with Generally Accepted Accounting Principles (GAAP).
  - 4. All disbursements shall be made by check or electronic deposit. Under no circumstances will cash be dispensed for any reimbursements or payments.
  - 5. All financial records shall be the property of the National Corporation and must be available at the request of the Board of Directors.
- C. **CORPORATE DOCUMENTS:** The National Treasurer shall be responsible for the filing and safeguarding of the following documents, to be kept on file at the National Office which is housed within the VVA National Office:
  - 1. Internal Revenue Service letter assigning the Federal Employer Identification Number.
  - 2. Internal Revenue Service Group Tax Exempt Letter.
  - 3. National Annual Financial Statements.



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4. National Annual Budget.
5. All National Corporation correspondence of a financial nature.

#### **III. FINANCE & ACCOUNTING: *Financial Records***

- A. Through a Memorandum of Understanding (MOU) that exists between AVVA and VVA, the VVA Accounting Department will:
  1. Handle all AVVA accounting functions for which AVVA is billed monthly and annually.
  2. Maintain all AVVA accounting records at VVA's National Office:
    - a. General Ledger
    - b. General Journal
    - c. Cash Receipts Journal
    - d. Check Register
    - e. General Fund/Operating Account
    - f. Certificates of Deposit
    - g. Money Market Accounts
    - h. Bank Statements and Reconciliations

#### **IV. FINANCE & ACCOUNTING: *Accounts Payable***

##### **A. ACCOUNTS PAYABLE PROCEDURES**

1. All invoices, other obligations, and reimbursement forms are to be sent to the VVA's National Accounting Department. The department will forward such documents to the National President and Treasurer for approval before payment.
2. All checks require two (2) signatures. The President, Vice President and Treasurer's signatures will be on the checking account.
3. A copy of all reconciled monthly bank statements will be sent electronically to the Finance Chair, Treasurer, and the President of the Corporation.
4. The Finance Chair and the President will receive monthly electronic Unaudited Financial Statements. The Finance Committee should receive electronic quarterly Unaudited Financial Statements to include Statement of Financial Position, and a check register.



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#### **V. FINANCE & ACCOUNTING: *AVVA Credit Card***

##### **A. CREDIT CARD HOLDERS**

1. The Corporation has authorized AVVA credit cards to be used by AVVA officers whose duties are expected to take them on the road frequently or who are expected to have credit card availability in the performance of their duties.
2. At no time may a cardholder use an AVVA credit card for non-AVVA business or personal use.

##### **B. PAYMENT**

1. A copy of the cardholder's Credit Card Expense Form (*F-Fin04.02*), along with corresponding receipts, and expense coding will be sent electronically to the National Finance Department when requested.
2. The VVA Accounting Department will pay these bills in accordance with normal invoice processing, thus eliminate the possibility of "late charges."

##### **C. DELINQUENCY OF THE CREDIT CARD EXPENSE REPORT**

The VVA Accounting Department will advise the AVVA Treasurer as to whether all cardholders have submitted their credit card expense reports.

#### **VI. FINANCE & ACCOUNTING: *Financial Reporting Procedures***

##### **A. THE NATIONAL CORPORATE TAX RETURN**

1. The IRS 990 tax return for the National Corporation must be filed by the fifteenth (15<sup>th</sup>) day of the fifth (5<sup>th</sup>) month after the close of AVVA's fiscal year. Therefore, the deadline to file the tax returns is July 15<sup>th</sup> of each year.
2. After completion, the AVVA National President, Treasurer, Finance Committee Chair, and a member of the VVA Accounting Department, shall review the 990 before it is submitted to the board for final approval. Once approved, the President will notify the CPA that the 990 is ready to file with the IRS.
3. Once the 990 has been accepted by the IRS, an electronic copy will be sent to the webmaster for posting.

##### **B. INCORPORATED SUBSIDIARIES TAX RETURN**

1. Subsidiaries are required to file the IRS Form 990N (E-Postcard), IRS Form 990EZ, or IRS Form 990.



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2. Proof of IRS form submission must be attached to the Annual Financial Report. The report shall be sent to the VVA Accounting Department.

#### **C. INCORPORATED ANNUAL FINANCIAL REPORTS**

1. Subsidiaries are required to submit their Annual Financial Report and proof of their IRS filing, as outlined above, by the deadline date determined and announced each year by the National Finance Committee. The Annual Financial Report consists of form **(F-Fin04.06)**, which is available on the national AVVA website, [www.avva.org/forms.html](http://www.avva.org/forms.html).
  - a. During an AVVA election year (odd numbered years), the Annual Financial Report must be received by the VVA Accounting staff member at least sixty (60) days prior to the National Convention.
  - b. During a non-election year (even numbered years), the Annual Financial Report, and accompanying proof of IRS tax filing, must be received by the VVA accounting department and the Finance Committee Chair no later than July 15<sup>th</sup>.
2. The VVA accounting department shall maintain records of the reports received from the Incorporated subsidiaries.

#### **D. FAILURE TO COMPLY**

1. Subsidiaries that are non-compliant may be subject to suspension of their Charter, and loss of delegate voting privileges.
2. Non-compliant subsidiaries will be subject to revocation of Incorporated status within their state and tax-exempt status with the IRS.

### **VII. FINANCE & ACCOUNTING: *IRS Group Exemption***

- A. The IRS requires that by December 1<sup>st</sup> of each year the corporation must send the items listed below to the IRS:
  1. A list showing the names, mailing addresses (including postal zip code), actual addresses if different, and Employer Identification Numbers of subsidiaries that since our previous report have:
    - a. Changed names or address, or,
    - b. Have been deleted from our roster, or,
    - c. Have been added to our roster.
  2. If applicable, a statement that AVVA's group exemption roster did not change since our previous report.



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#### **VIII. FINANCE & ACCOUNTING: *Budget Process***

1. The Finance Committee will coordinate and develop an Annual Budget.
2. The Finance Chair will notify the Board of Directors of the upcoming budget cycle by October 1st of each year.
3. The Finance Committee will send the proposed budget to the Board of Directors for review by February 28<sup>th</sup>.
4. The final budget proposal will be presented to the National Board during the April board meeting; once approved, the chair must finalize annual figures and present the balanced budget to the VVA Accounting Department.
5. Until the proposed budget is accepted by the Board of Directors, the current budget will remain in place.

#### **IX. FINANCE & ACCOUNTING: *Travel – General Provisions***

##### **A. PURPOSE**

The purpose of this policy is to establish a set of procedures for travel related expenses. This policy applies to all persons traveling using corporate funds.

##### **B. TRAVEL**

1. The AVVA Board of Directors, in conjunction with the Finance Committee, shall determine the number of funded board meetings per year.
2. **ALL** travel is subject to available funds in each board member's individual budget. Any travel that requires additional funding, will require advance approval by the AVVA National President and the National Treasurer. The person planning to travel should submit the request to the AVVA Treasurer **at least twenty-one (21) days prior to travel, or as far in advance as possible, within that time.** If the request requires the reassignment of funds, or additional funds, the National Treasurer will immediately notify the National President of the request so that a timely decision to approve or deny the request can be made.

**NOTE:** *As an AVVA Board Member, or as a Committee Chair, it is crucial to keep your own informal running tally of all your expenses within each budget year. This will enable you to know when, or if, you will have a problem with a travel request.*



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##### **C. TRAVEL DURING AN ELECTION YEAR**

During an election year, only one-half of the approved budget for travel is available to each board member before the national elections. The only exception is the travel to the convention.

#### **X. FINANCE & ACCOUNTING: *Travel - Transportation***

##### **A. AIR TRAVEL**

1. Travel for official AVVA business will be paid for or reimbursed at the actual cost of the trip. The cost of a trip will include, but not necessarily be limited to:
  - a. Airline ticket (equivalent of coach or economy; upgrades are out of pocket).
  - b. Baggage fees. One (1) checked bag.
  - c. Mileage to and from home and the airport.
  - d. Airport parking.
  - e. Taxi/shuttle or another paid ride to and from the hotel and airport.
2. Whenever possible, airline tickets should be purchased in advance of travel within “best price” rate periods for advance purchase (*usually twenty-one (21) days or more before a flight*). Flight reservations may be made by the individual with a request for reimbursement or through Let’s Travel, (337-364-4444), who will make the arrangements and bill AVVA directly.

##### **B. TRAVEL BY VEHICLE**

1. Travel by vehicle will **not** be reimbursed in an amount higher than the total cost of air travel for the same destination (*refer to X.A.1.*). Exceptions will be considered on a case-by-case basis by the National President and the National Treasurer.
2. Mileage is based on the current IRS rate.

#### **XI. FINANCE & ACCOUNTING: *Travel - Lodging***

##### **A. LODGING**

1. Hotel reservations for Annual Meetings and BOD meetings will be made through the VVA Event Planner, on the VVA website E-reservations page (<https://vva.org/e-room-reservations/>) **at least** thirty (30) days before the event date. Reservations made on your own are not encouraged and would require reimbursement **after the fact**. Reservations made on your own may also result in



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you not being listed as part of the group rate, therefore resulting in higher room charges, which portion will not be reimbursed.

2. AVVA will pay room cost at the negotiated VVA rate.

#### **XII. FINANCE & ACCOUNTING: *Travel – Board & Program/Committee Chair Travel***

##### **A. REGIONAL TRAVEL**

1. The Regional Director (or Deputy) will make all arrangements and reservations for trips within their region. Travel must be pre-approved. Payment is either an advance partial payment or full reimbursement after the fact.
2. AVVA will pay room cost.
3. Funds are budgeted for regional travel in the Director's (or Deputy's) elected region only.

##### **B. PROGRAM/COMMITTEE CHAIR TRAVEL**

1. The Program/Committee Chair (or designee) will make all arrangements and reservations for the trip. Travel must be budgeted and pre-approved. Payment is either an advance partial payment or full reimbursement after the fact.
2. AVVA will pay room cost.

#### **XIII. FINANCE & ACCOUNTING: *Travel – Other Approved Expenses***

##### **A. PER DIEM**

1. Per Diem will be paid to all approved attendees of AVVA functions at the rate of \$50.00 per day, including travel days.
2. Approved functions include:
  - a. Regular or special-called Board of Directors' Meeting
  - b. National Convention
  - c. National Leadership and Education Conference
  - d. Regional travel for official AVVA business
  - e. Other travel that has been pre-approved by the National President and the National Treasurer



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#### **XIV. FINANCE & ACCOUNTING: *Travel – Methods of Payment & Reporting***

AVVA uses a direct deposit method of paying reimbursements and advanced payments of AVVA expenses. Checks may be sent, if unavoidable, on a temporary basis. Upon election or appointment, information must be provided for direct deposit to the VVA Accounting Department. Failure to do so, may result in a delay of payment.

##### **A. REIMBURSEMENT OR ADVANCED PAYMENT**

1. Reimbursement of authorized expenses must be requested by submitting *the Request for Reimbursement Form (F-Fin04.01)* with all receipts attached.
  - a. Air travel will not be advanced.
  - b. Since no upfront expenditure is required, all air travel should be booked through our contracted agency, *Let's Travel*. Any other booking option requires that air travel is completed, and receipts submitted before reimbursement are issued.
2. The Request for reimbursement must be sent to the VVA Accounting Department, (person designated on the form) and the National Treasurer within thirty **(30) calendar days** after the completion of travel.
3. Any reimbursement request submitted after the thirty (30) day deadline will not be paid unless reasonable grounds are determined by both the National President and the National Treasurer.
4. Advance funds may be requested to conduct AVVA official business by submitting the Expense Reimbursement Form *(F-Fin04.01)*. This request must be sent to the VVA National Office staff person designated on the form and to the National Treasurer, at least **fourteen (14) calendar days** prior to the need for the funds. This request must be accompanied by a list of estimated expenses. Receipts will be required within thirty (30) days after the travel is concluded.

##### **B. AFTER ACTION & SPECIAL ADVISOR REPORTS**

1. After Action Reports will be submitted to the National Vice President and the National Treasurer within fifteen (15) days after any travel that has been paid for by AVVA (**Exception: BOD Meetings and Convention**). Failing to submit *After Action Reports* may result in denial of any future requests to travel.
2. *Special Advisor Reports* are required for VVA Committee Meetings attended during regular board meetings. These reports must be filed with the National Vice President within fifteen (15) days of returning home from the board meeting.



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Failure to file *Special Advisor Reports* may result in reduction of or denial of per diem for future board meetings.

#### **XV. FINANCE & ACCOUNTING: *Travel – Uncovered Expenses***

AVVA will ***not*** pay for or reimburse any of the following expenses:

1. Airline seat upgrades.
2. Airline fees for more than one (1) checked bag unless required to transport AVVA materials or products to an AVVA function, where shipping is more expensive or is not an option. This exception will require approval from the National President and the National Treasurer.
3. Oversize or overweight baggage charges unless the weight is due to transport of AVVA materials or products to an AVVA function, where shipping is more expensive or is not an option. This exception will require approval from the National President and Treasurer
4. Charges resulting from “no show” fees from hotels. Persons who do not check in on the arrival date booked and who have not cancelled their reservation within the time limits provided by the hotel, will be held responsible for any charges billed to AVVA due to the “no show” status. (***Typically, this is one night’s room and tax.***)
5. Expenses incurred by Officers and Board members for travel to state meetings in the state in which they reside are not covered by the national budget if the person traveling is a state officer.

#### **XVI. FINANCE & ACCOUNTING: *Deceased Member Protocol***

##### **A. IMPLEMENTATION**

1. Upon notification of the death of:
  - a. a current, or past, National Officer,
  - b. a current National Regional Director, or
  - c. a current State President or Representative, the AVVA President may designate one person to attend the services at AVVA expense.



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2. Flowers or donations on behalf of the deceased will not exceed \$150 to be paid from the President's Cost Center, Miscellaneous expense line.

#### **XVII. FINANCE & ACCOUNTING: *Benevolence Policy***

##### **A. PURPOSE**

1. The Corporation's Benevolence Fund is a budgeted fund that is available to members, and their families, who need financial assistance due to illness, natural disaster, or other unforeseen circumstances.

##### **B. FUNDING**

1. The Benevolence Fund is allocated \$1,000 at the beginning of each of fiscal year. At the end of the fiscal year, any unused funds shall be rolled back into the general fund. Oversight of the fund is by the AVVA National Board of Directors.

##### **C. IMPLEMENTATION**

1. Requests for assistance shall be brought before the National Board for approval. If approved, assistance will be awarded in increments of \$100, up to \$1,000.
2. Program beneficiaries shall be ineligible for further assistance for two (2) years.
3. The application can be found on the AVVA Website.