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| <b>SECTION: Finance</b>                         | <b>CREATED</b> | <b>REVISED<br/>by<br/>Committee</b> | <b>APPROVAL<br/>by<br/>Board of Directors</b> |
| <b>SUBSECTION: Troop and Service Unit Funds</b> | February 2007  | May 2025                            | May 2025                                      |

The Board of Directors, by approval of this policy, allows bona fide units of the organization to hold funds in the name of Girl Scouts—Dakota Horizons (the Council).

Upon forming a troop or service unit, a bank account shall be opened for funds to be used for the purpose of supporting Girl Scout activities, in accordance with this policy.

#### **A. ACCOUNT INFORMATION – OPENING ACCOUNTS**

Troop and Service Unit funds shall be deposited in an account with a federally insured financial institution.

- Requests for all account openings and changes will be submitted online via the Bank Account Authorization Request Form.
- The authorization to open a single checking account or make changes to an existing checking account will only be sent to the volunteer after they have successfully passed a review by the finance department of the online Bank Account Authorization Request Form.
- Each account shall be opened under the Council Federal tax identification number. The Council Federal tax I.D. number is 46-0250744.
- The troop or Service Unit adults shall obtain a Bank Account Authorization Letter (see attached) from the Council office allowing the use of the Council Federal tax identification number.
- The account shall be in the name of “Girl Scouts-Dakota Horizons Troop #####”, or “Girl Scouts-Dakota Horizons Service Unit ###”, etc.
- Each account shall have two (2) registered and approved Girl Scout adults registered within the troop, not of the same family or living or in the same household, as signers on the account at all times. If a second registered and approved Girl Scout adult registered within the troop is not identified, the second registered and approved Girl Scout adult can be registered with the Service unit at council’s discretion. The Council Chief Financial Officer and Director of Finance will also be authorized on the account.
- Within ten (10) business days of opening a new group checking account or making changes on an existing group checking account an authorized signer from the troop or service unit must complete and submit the Bank Account Confirmation / ACH Form confirming the account has been opened or that the changes have been made at the financial institution.
- Only one individual signature listed on the account is needed to sign a check in the sum of \$500.00 or less. If a check is written in excess of \$500.00 a second signature is needed.

- Debit cards with a purchase limit of no more than \$500.00 are permitted on accounts. **Debit cards must not have a cash withdrawal availability.**

## **B. TROOP AND SERVICE UNIT FUNDS – ACCOUNT MANAGEMENT**

- All troop and service unit funds generated and all troop and service unit expenses incurred must run through the troop or service unit bank account.
- The Account Signers shall keep an up-to-date check register.
- The Annual Finance Report is to be completed online in its entirety by June 15, with a copy of the current year May bank statement attached. The check register must also be attached to the Annual Finance Report.
- Account Signers are to retain bank statements and receipts on these accounts for two reporting years (June-May).
- The Annual Finance Report shall include cash donations received by the troop or service unit with the name of the donor and the amount received.
- Unsolicited cash donations under \$250.00 will remain with the troop or service unit and must be reported as such in the Annual Finance Report.
- Funds are the property of the Council. The troop or service unit may decide how its money is used for well-balanced program activities. However, troop and service unit funds may not be used for any non-Girl Scout purposes.
- Girls earn money only for the troop or service unit, never for themselves. Troops and service units may not track individual girl balances within the troop or service unit bank account.
- **Under no circumstances shall the money be divided among members of the troop for personal use, used by the Account Signers for her/his personal use, or donated to another organization.**
- The troop and service unit are required to pay its bills in a responsible, timely manner. Troops and service units may not under any circumstances issue NSF (not sufficient funds) checks. Account Signers who overdraw their account can be dismissed.
- The Board of Directors recognizes the need for individual troops and service units to maintain nominal account balances to fund day-to-day activities for girls and adults. If the account balance exceeds \$400, an explanation of how funds will be spent needs to be submitted with the Annual Finance Report. If funds over \$400 are not going to be used or an adequate reason for use is not submitted, the troop or service unit may be asked to submit the funds to the council. This request will be made at the discretion of the Director of Finance or Chief Financial Officer.
- Day-to-day custodianship of troop and service unit funds is delegated to the Account Signers. The finance department shall oversee all troop and service unit accounts by completing an annual review of the Annual Finance Reports.

- Tax exemption for our organization and subsidiaries only applies for Federal Tax, not Sales Tax.
- A troop and service unit may possess money, property, and equipment, donated or purchased, but they must be held in the name of “Girl Scouts—Dakota Horizons.”
- The council may request, at any time to review all Troop/Service Unit financial information.

**Abandoned Funds:** Troop and service unit accounts that have not been active for a period of one (1) year or longer, or have not completed the Disbanding Process noted in Section D of this policy, will be considered abandoned. The council may contact the bank and request that the account be closed. Funds will sent to the council to be deposited in the Council General Operating Fund for council-wide troop support.

### **C. ADDITIONAL MONEY EARNING ACTIVITIES**

- No troop or service unit shall solicit cash/in-kind donations or raise funds without completing a Troop/Service Unit Money Earning Application and receiving prior council approval.
- Troop and service unit money earning projects shall not be undertaken during the Council Product Programs and delivery or during United Way/Community Chest Campaigns in the troop or service unit’s community.
- GirlScout Seniors and Ambassadors may solicit philanthropic donations of cash or in-kind goods for Girl Scout Gold Award projects. Written permission via the Troop/Service unit Money Earning Application must be secured prior to solicitation, and council guidelines must be followed.
- Reporting of any Gift-In-Kind needs to follow the Gift-In-Kind Procedure located on the Girl Scouts-Dakota Horizons website.
- All charitable contributions (in excess of \$250.00), regardless of value, form, or designated use, shall be made only to Girls Scouts – Dakota Horizons. Incorporated in the state of South Dakota and designated as a 501(c) (3) organization, the Council is the only tax exempt entity.
- All troops and service units are an extension of Girl Scouts-Dakota Horizons but are not specifically tax exempt.
- Gifts may be received on behalf of projects, programs, geographic units, troops or groups as designated donations or restricted donations.

### **D. DISBANDING TROOPS AND SERVICE UNITS – CLOSING ACCOUNTS**

- Prior to disbanding, all currently registered members of the troop should what to do with the troop’s funds, property and equipment. If a decision is not made within 30 days of disbanding, all will be returned to the council.
- Funds shall be used for Girl Scout activities and may not be refunded/given directly to girls or donated to another organization. Funds may be donated to other

active troops or service units as long as all active members of the disbanding troop unanimously approved of the donation.

- The final Finance Report should be completed and submitted to the council, showing how all monies have been used and confirming account closure.
- If all troop funds are not used for activities with the girls or donated to other troops or service units within 30 days of disbanding the remaining troop funds will be transferred to the Council.
- When disbanded troop funds are transferred to the Council, the Council will disburse funds per the following steps in the order they are listed:
  1. To a troop who accepted a girl from the disbanded troop to be used by all girls in the receiving troop. If a girl chose to continue as an Individually Registered Girl (IRG) then the Service Unit will serve as the IRG's troop and funds are available to be used by all IRG girls in the Service Unit. When there is more than one receiving troop/SU funds should be evenly allocated to the number of girls who continued with Girl Scouts.
  2. To the disbanding troop's Service Unit to provide Girl Scout programming for all girls in the Service Unit. If there is not a functioning Service Unit, the funds will be held by the Council for one (1) year.
  3. After a period of one (1) all remaining funds will be considered Abandoned Funds and deposited in the Council's General Operating Fund for council-wide troop support.
- If a Service Unit disbands, all money, property and equipment must be returned to the Council within 30 days of disbanding.