



DEPARTMENT OF GEORGIA POLICY DESIGNATED & RESTRICTED FUNDS

Reviewing Body: Risk & Compliance Committee

Reviewed Date: 10-21-2023

Adopted By: Department Executive Committee

Adopted Date: 10-27-2023

Purpose

The purpose of this policy is to:

1. To ensure the use of designated and restricted funds are for their intended purpose.
2. Describe what constitutes a Designated Fund and what constitutes a Restricted Fund.

Definition - Designated Funds

Designated funds are termed as such by the Department Executive Committee (DEC) for a specific purpose and cannot be used for any other purpose unless approved by a two-thirds vote of the DEC.

The following accounts are recognized designated accounts by the ALA Department of Georgia Executive Committee:

- American Legion Auxiliary Management Information System (ALAMIS)
- Bond Income
- Book of Reports Income
- Junior Fund
- Junior Leadership Camp
- Past Presidents Parlay
- President' Special Project(s)
- Sales of President's shirts
- Sales of President's pins
- Unit Activity Guidebook
- Department Fundraisers (auctions, raffles, special events)

Definition – Restricted Funds

Restricted funds are monies set aside for a particular purpose as a result of designated giving. They are permanently restricted to that purpose and cannot be used for other expenses of the nonprofit.

The following accounts are the recognized restricted accounts as approved by the American Legion Auxiliary Department of Georgia Executive Committee:

- Auxiliary Emergency Fund (AEF)
- Christmas Assessment
- Christmas Gift Shop
- Comfort Articles
- Fisher House Project
- Hostess Parties
- Poppy obligation of each Unit (25% of Unit's received poppy money)
- Poppy orders
- Veterans Administration (VA) donations
- Veterans Creative Arts Festival

Scope

This policy applies to all funds in all bank accounts owned by the American Legion Auxiliary, Department of Georgia.

Policy Statement

All funds received by the American Legion Auxiliary Department of Georgia are to be deposited into the specific accounts as designated by the donor, the event for which the funds were raised, or in accordance with the approved designation by the Department of Georgia Executive Committee.

Request for Accommodations

No member or employee has the authority to use Designated or Restricted Funds for any purpose other than the specific designation. The Department Executive Committee, by a two-thirds vote, must approve the use of Designated and Restricted Funds for any purpose other than its specific designation.

Interpretive Authority

The American Legion Auxiliary Department of Georgia Executive Committee, in consultation with other parties, is responsible for interpretation of this policy.

Date Revised (or established)	Description of Revision	Adopted By:
10-27-2023	Established	Department Executive Committee