



Northern California World Service Area Budget/Audit Committee Guideline

History:

- Details of history can be found in NCWSA Guidelines under Guideline B28 NCWSA Motions Passed and Failed.

Purpose:

- Budget and Audit Committee purpose is to adhere to the requirements of 501(c)(3) to draft a budget for NCWSA's adoption.
- To provide fiscal accountability and transparency for NCWSA.

Authority:

- Bylaws: Article VIII Committees, Section 2. Budget Committee

Prerequisites, Requirements, Skills or Talents Needed:

- This corporation is organized and operated exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. (Bylaws Articles of Incorporation of NCWSA of AFG, Inc., California Nonprofit Public Benefit Corporation, Article V). The requirement of 501(c)(3) is to adopt a budget for business purpose.
- Members shall consist of the Alternate Delegate, the Treasurer, a past Treasurer or a past Alternate Delegate, and a currently serving District Representative from each Section: North, Central and South. District Representatives are to be elected by caucus of their section. (Bylaws Article VIII, Section 2, A. Members). Term of members is three year.
- Helpful to have financial experience or an interest in NCWSA finances.

Duties:

- Assist and support the Budget Chairperson (who is the Alternate Delegate) and Treasurer as needed.
- Prepare the Annual Budget to be presented to NCWSA for discussion and approval.
- Maintain minutes of Budget Committee meetings, with copies to Budget Committee, Delegate Officers and Executive Committee Chair.
- Conduct the annual audit.

Responsibilities:

A. BUDGET PROCESS

1. Prepare Draft Budget

- a. By mid-December the Budget Chairperson provides a budget request form to NCWSC (the Area officers, coordinators, liaisons and eligible committee chairpersons).
- b. The NCWSC returns their forms by mid January.
- c. The Treasurer closes the prior year's books and forwards the report to the Budget Chairperson by mid- January.
- d. By mid-January The Budget Chairperson prepares a draft budget including the year-end figures from the Treasurer.
- e. The Budget Chairperson posts the year-end figures from the Treasurer, the NCWSC requests and takes into consideration trends involving the NCWSA's services expenses, funds and Treasurer's financial reports.



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- i. Travel expenses: NCWSA approved travel expenses are for actual hotel costs incurred, plus tax, for all events the trusted servant is required to attend: actual, reasonable expenses for meals; and mileage reimbursement at half the current IRS Business rate. This is for reimbursement for travel expenses to and from NCWSC committee meetings and the Assembly and for the NCWSC members that are required to attend the Convention (that includes the Convention Chair, the Treasurer or other officer, Facilities Coordinator, Alateen Coordinator and the nearest Alateen Liaison) or the H&I Conference (that includes the Institutions Coordinator). (See NCWSC Guideline; XI. Expenses of NCWSC Members, C. Normal Travel Expenses).
 - ii. The Budget Committee prepares a budget line item called "Discretionary to the Chairperson". In doing so, the Budget Committee recognizes that not every item of expenditures can be forecasted up to two years in advance. The use of this line item may be authorized by the Chairperson when an individual exceeds their category budget, when an item of importance needs to be purchased without notice to the Assembly, and when Capital or other equipment needs to be repaired or replaced. (NCWSC Guideline; XIV Budget: B).
 - iii. The Budget Request input form is returned to the Budget Chairperson by December 15, who inputs the information and prepares the remainder of the budget, based upon past Income and Expenses.
 - f. In late January after the audit a draft of the budget is critiqued by the Budget Committee. Once accepted the draft is given to NCWSC for their review and at the 1st NCWSC meeting of the new year. The NCWSC Committee reviews the budget with all the detailed lines shown, but the Assembly reviews and approves a budget with categories (such as coordinators' budgets) aggregated. Experience shows that having hundreds of GRs reviewing each detail of the budget consumes much time at Assembly that does not create any meaningful improvement to the budget.
 - g. After any suggested changes/deletions by NCWSC are made, it is reviewed again at the May NCWSC meeting. Suggestions are discussed and incorporated as below with the NCWSC so that they will prepare their Districts. The Budget Chair finalizes the proposed budget based on the input. (A PowerPoint presentation for both the budget and any motions to be presented).
2. Create a budget presentation for Fall Assembly
 - a. Preparation: Prepare PowerPoint presentation using bold, large print showing past three year's actuals, prior year's budget, and the new year's suggested budget as voted on by NCWSC at the May meeting with explanation of year over year changes.
 - b. The budget presentation includes:
 - i. Review the process on how the numbers were obtained.
 - ii. Explain that the budget must be passed at Assembly in order for NCWSA to do business in the next year.
 - iii. Present the budget and ask for questions.
 - iv. Present the motion and ask for vote (to approve the budget or any other motions that NCWSC has regarding the budget).
 3. Finalize/Distribute the Approved Budget
 - a. Provide the Website Coordinator the final approved budget for posting to NCWSA financial information.



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- b. Provide the *12 Stepper* Editor the final approved budget for printing in the next available issue of the *12 Stepper* newsletter.
- c. The *12 Stepper* Editor prints the aggregated budget in the newsletter so that all of the Group Representatives can be familiar with the budget. It is recommended that the District Representative review the budget again with the Group Representatives prior to the Assembly.

B. AUDIT PROCESS

1. Review the NCWSA Financial Records including the NoCAC financial information.
 - a. Usually late January after the Treasurer has completed the prior year financial statements.
 - b. Usually at the Treasurer's home (usually takes 4-6 hours to complete using the suggested Audit Procedure form.)
 - c. The Treasurer brings all financial records to the Audit Committee meeting. The treasurer is a resource for the Budget Committee members who perform the task.
 - d. Audit forms to be completed are available on the NCWSA Website.
 - e. Minutes are maintained for this meeting.
2. The Budget Chair summarizes the audit and presents the report at the February Committee meeting with copies to the NCWSC Chair, Executive Chair, Budget Committee and upon request to other members.
3. The audit report is required to be published in the April 12 Stepper issue and posted online.
4. Questions can be addressed at the May Assembly as needed.

C. FINANCIAL REVIEW

1. The Budget Committee reviews periodically or as needed the financial statements and bank reconciliations.
 - a. Compare YTD actuals to Budget
 - b. Recommend modifications between categories to the Executive Committee as needed.
2. The Budget Committee reviews the Treasurer's recommendations for the reserves and the investments (CDs).
3. The Budget Chair forwards the Budget Committee's investment recommendations to the Executive Committee (EC) Chair for the Executive Committee's approval.
4. EC Chair reviews the information with the EC and informs the Budget Chair of their response.
5. Budget Chair advises the Treasurer so that the fund can be invested.
6. Budget Chair documents decisions.

D. MEETING MINUTES

1. Annual Audit in person at the Treasurer's home.
2. All other meetings via conference call.
3. Minutes are kept for all meetings and provided to Budget Committee, Delegate, Officers and Executive Committee Chair.

Time Line:

- See Budget Process above.



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Amount of time per month, year or term required:

- Drafting budget 4 hours per year
- Audit Meeting Reports 8 hours per year + travel to treasurer's home
- Reserve Fund 1 hour per year
- Questions/support 5 hours per year
- TOTAL: 18 hours per year + travel

Expenses:

- See NCWSC guidelines: Expenses of NCWSC members for explanation.
- Postage
- Telephone calls
- Travel (other than to Committee meetings and Assembly)
- Printing or copying
- Other expenses necessary to accomplish the responsibility of their position.

Resources: (Tools and Equipment Needed):

- Computer
- Access to PowerPoint and Excel
- Copy of the periodic financial statements from the Treasurer

Forms Used:

- A4 Expense Reimbursement form (for travel)
- A23 Budget Request form
- A24a-c Audit Result Summary forms
- Excel budget file