

**THE AMERICAN LEGION DEPARTMENT OF MICHIGAN
FINANCE/PERSONNEL COMMITTEE
RULES OF PROCEDURE**

Authorization:

This committee was authorized in its present form at Department Convention, July 20, 1975, although the committee had been established at an earlier date.

Membership:

Subject to the Department Commander's discretion, and with the approval of the Department Executive Committee, the Finance/Personnel Committee of the Department of Michigan will normally consist of five (5) regular members, with vote, and two (2) alternate members, without vote, unless they are serving in the absence of a regular member. The Department Commander and the Department Finance Officer shall be ex-officio members of this committee, with vote, the Director of Veterans Affairs and Rehabilitation shall be an ex-officio member, without vote, and the Adjutant shall be ex-officio Secretary of the committee, without vote. (Article Five (V) Section Four (a) The American Legion, Department of Michigan, Constitution and By-Laws, Revised July 23, 1992) The five (5) regular members of the Finance/Personnel Committee shall be appointed one from each Zone.

"The term of office of all regular members of Department Committees shall be staggered so that the term of one-half of the committee shall expire at the close of the Annual Department Convention each year. Appointments, except when a shorter term shall be necessary to comply with this provision, shall be for a term of two (2) years each." (Article Five (V) Section Four (a) The American Legion, Department of Michigan, Constitution and By-Laws, Revised July 20, 1975)

"All committee members shall be appointed and may be removed for cause by the Department Commander with the approval of the Department Executive Committee. The Department Commander shall name the Chairman of each committee to serve until the next Department Convention."

"No Legionnaire may be appointed to serve on more than one regular standing appointive Department Committee at any one time." (Article Five (V) Section Four (b) The American Legion, Department of Michigan, Constitution and By-Laws, Revised July 20, 1975)

The Department Commander shall appoint all regular and alternate American Legion members of the committee that originate in the Commander's term. The Commander shall fill all vacancies in the committee that occur during his term.

"Alternate members will be appointed to serve a one year term and will be designated as first and second alternate." (American Legion Department Executive Action, April 20, 1974, page 53)

FINANCE/PERSONNEL COMMITTEE – RULES OF PROCEDURE – CONT.:

Membership – continued:

At the first meeting of the new term, the Finance/Personnel Committee will elect one of its members to serve as Vice Chairman during that term of office. The Vice Chairman shall assume all duties of the Chairman in that person's absence.

Purpose:

"All funds received from any source from the Department of Michigan, including any board or committee created and/or appointed by The American Legion, Department of Michigan, shall be under the possession, control and supervision of the Finance/Personnel Committee and said committee shall be charged with the duty of setting up a proper and adequate system of centralized control and procuring audits of such funds." (Article V, Section 4 (c) The American Legion, Department of Michigan By-Laws, Revised July 20, 1975)

"The Finance/Personnel Committee shall be charged with the preparation of a yearly budget and financial policy of the Department, the handling of funds under the budget, and approval of expenditures of all Department funds not budgeted, and preparation and approval of the audit of books and records of the Department and other additional audits, as often in addition thereto as it may deem expedient. It shall file a written report, including the official audit with the annual convention, setting forth in detail the financial recommendations, as it considers advisable." (Article V, Section 4 (d) The American Legion, Department of Michigan Constitution and By-Laws, Revised July 20, 1975; July 13, 1986)

"The Finance/Personnel Committee shall be charged with the duty of reviewing the Department of Michigan membership dues rate on a three (3) year basis and make any recommendations on those necessary changes to maintain the Department financial integrity."

"The Finance/Personnel Committee shall be charged with the duty of fixing the amount of and providing a proper and adequate bond for the Department Adjutant and Finance Officer and all other Department officials and employees who handle Department funds in a surety company or companies approved by the National Adjutant. The expense of all bonds provided for herein shall be borne by the Department. The Finance/Personnel Committee shall also be responsible for the investing of all trust funds, expecting those funds left in trust for purposes of the authorized subsidiary corporation of Article IV, Section 1 (h)." (Article V, Section 4 (e) The American Legion, Department of Michigan Constitution and By-Laws, Revised July 20, 1975; July 13, 1986)

The Finance/Personnel Committee shall be charged with the duty of setting forth the employees rules and regulations for all employees of The American Legion, Department of Michigan. The Department Adjutant shall promulgate such employee rules and make any decisions necessary to further define and carry out the intent of said rules and regulations.

FINANCE/PERSONNEL COMMITTEE – RULES OF PROCEDURE – CONT.:

Meetings:

Following the Department Convention, the Department Finance/Personnel Committee may meet to make any adjustments to the budget that may be necessary to comply with the will of the Department Convention. Should these adjustments involve other than the Department budget, the Department Finance Committee shall be held in joint session with the board, committee or commission having charge of the fund involved.

The organizational meeting of the Department Finance/Personnel Committee shall include the following:

1. An explanation of accounting procedures to all new members
2. An examination of the balance sheets and comparative budget reports, and such miscellaneous reports as shall come before the meeting
3. A review of the list of invested funds
4. A check of the surety bonds of all bonded employees and officers
5. Supervise the checking over of all insurance policies involving the Department of Michigan, its boards, committees and/or commissions. Such insurance policies and surety bonds shall be submitted to Department Headquarters for the investigation of the rating of the companies. All such policies of the Department, boards, committees and/or commissions shall be made out in original and duplicates in the possession of the particular board, committee and/or commission governing the activity covered by the respective policies
6. A review and update of the Department Finance/Personnel Committee Permanent Procedure and Employee Rules and Regulations

All agendas shall be prepared by the Chairman or agent.

A meeting shall be held at least 21 (twenty-one) days prior to State Convention and shall involve the preparation and approval of the several budgets for the ensuing year and shall be the primary order of business.

(Amended by DEC on September 30, 1995)

"All meetings requesting travel expenses from Department funds, or any funds subject to Department control, or raised for any Department program shall be upon the call of the Department Commander to qualify for receipt of said funds in manner and form as provided by the Department Executive Committee and within the limitations as set up by the Finance Committee." (DEC Action, April 5, 1959, Page 35)

FINANCE/PERSONNEL COMMITTEE – RULES OF PROCEDURE – CONT.:

Meetings - continued:

Meeting Schedule:	Member	Chairman
Fall Leadership Conference	One day	Three days
January Meeting	One day	One day
Winter Meeting	One day	Two days
Budget Meeting	One day	One day
Department Convention	One day	Three days

Special Meetings:

Necessary special meetings may be held at Department Headquarters with no mileage nor per diem authorized. Lunch may be provided by committee funds with prior approval of the Department Commander.

Per diem and/or mileage:

Per diem and/or mileage, if any, and only upon the authority of the Department Commander, shall be in accordance with current published Department policy, as recommended by the Department Finance/Personnel Committee and approved by the Department Executive Committee.

Minutes:

Written minutes of each meeting shall be recorded by the Secretary and shall constitute the Chairman's report to the Department Executive Committee or the delegates to the Department Convention and will be included in the next official proceeding of the meeting, conference or convention, thereby being made a permanent record for retention at the Department office. Minutes of any special meetings, adoption of motions or resolutions approved at any time occurring between Department meetings, conferences or convention shall be incorporated into the next official proceedings. Recommendations and/or resolutions must be presented in proper form to the Department Executive Committee or delegates at the Department Convention.

Mail/E-Mail Vote:

The committee may transact business by mail or e-mail vote. If an e-mail vote is implemented, each response must be forwarded to all members of the Committee. If standard mail, the voting shall be considered closed at the end of seven (7) business days provided a majority of members of the committee have returned to the Chairman their votes by that time, or it shall be considered closed at anytime prior thereto and when all the members have returned their votes. In the event one-third (1/3) members of the committee objects in writing, the matter shall not be decided and will be considered as the first order of business at the next regular meeting or special meeting and the Chairman shall notify the committee of the action taken.

FINANCE/PERSONNEL COMMITTEE – RULES OF PROCEDURE – CONT.:

Chairman:

The Chairman shall preside at all meetings and, in the event of his absence, the Vice Chairman shall preside.

The Chairman of the Finance/Personnel Committee shall be the advisor to the Department Commander regarding the finances of the Department.

The Chairman shall keep the Department Finance/Personnel Committee and the Department Executive Committee informed at each of its scheduled meetings as to the income and expenditures of the Department, its boards, committees and/or commissions. He shall advise on such adjustments as shall be found necessary in the distribution of budgeted items, changes in methods of handling funds, all of which must have the final approval of the committee.

The Chairman shall direct the preparation and distribution to the committee of monthly statements and balance sheets, as of the last day of the preceding month, together with a comparative budget statement of the Department funds, Boys State, Publication, Veterans Affairs and Rehabilitation and other special funds. They shall be furnished to all members of the Department Executive Committee and chairmen of all boards, committees and/or commissions at regularly scheduled conventions, conferences and meetings. They will also be available from Department Headquarters upon request.

In the absence of the Commander or Adjutant, the Chairman may approve Department expenditures.

An Annual Report is to be written and submitted to the Editor by May 1st of each year.

District and Vice Commander's Reserve Fund

The control of the District and Vice Commander's Reserve Fund shall be in the hands of the Adjutant, Finance Officer or Accountant at the direction of the Chairman of the Finance/Personnel Committee. The District and Vice Commander's Reserve Fund, as determined in amount by action of the preceding annual Department Convention, shall be allocated for the expenses of District Commanders and Vice Commanders, in conformity with convention action. Each District Commander and Vice Commander shall use his/her funds for the following purposes: travel, trophies and awards, membership, education and Americanism, copies, postage and telephone, within his/her respective District or Zone.

(Amended by DEC February 21, 2010)

FINANCE/PERSONNEL COMMITTEE – RULES OF PROCEDURE – CONT.:

Formation of Departmental Budget

The estimated income for the ensuing year shall be calculated on the basis of membership as determined by the previous four year average or to be determined by the Finance Committee, and at the prevailing membership fee plus such estimated income that can be projected from the interest on invested and working funds, a grant from the State of Michigan and contributions or rebates from membership fund raising projects. (Amended by DEC on September 30, 1995; March 11, 2000)

The appropriation for the operation of the Department of Michigan and its activities shall be based upon the judgment of the committee and the requirements for the various activities, based on recommendations of the various officers and committee chairmen. All boards, committees and/or commissions operating under annual budgets shall submit the same to the Department Finance/Personnel Committee for its inspection and approval. All requests for funds must be in writing and made available at the time of the meeting of the Finance/Personnel Committee.

Office Procedure

Funds of the several activities of the Department of Michigan or any to its boards, committees and/or commissions, shall be recorded in separate books or record and in separate bank accounts sufficient so as to prevent any co-mingling thereof.

The Department Finance/Personnel Committee shall prescribe the procedure of handling of all receipts or collections of the Department of Michigan or any of its boards, committees and/or commissions.

The Department Finance/Personnel Committee shall prescribe the procedure of handling all disbursements and expenditures of the Department of Michigan or any of its boards, committees and/or commissions, upon receipt of approval invoice or voucher from the activity governing body. A memo from the permanent and special committee to specify that committee's approved budget, an outline of approved program expenditures and the required procedures for the reimbursement of personal expenditures. Invoices and/or vouchers must be approved by the Adjutant, Finance Officer or Accountant.

(Amended by DEC on September 30, 1995)

Checks will normally be approved and signed by the Adjutant and Finance Officer. In the absence of the Adjutant, checks may be approved and signed by the Chairman of the Department Finance/Personnel Committee or the appointed Assistant Finance Officer. In the absence of the Finance Officer, checks may be approved and signed by the appointed Assistant Finance Officer, the Chairman of the Department Finance/Personnel Committee or the Department Adjutant. All checks must carry two signatures.

(Amended by DEC on September 19, 2009)

FINANCE/PERSONNEL COMMITTEE – RULES OF PROCEDURE – CONT.:

Office Procedure – continued

Working funds may be established in an amount approved by the Department Finance/Personnel Committee.

The Department Finance/Personnel Committee may direct any monies in excess over actual working funds to be placed in an interest bearing account. All transfer of monies may be made by the Adjutant, Finance Officer or Accountant, with quarterly reports to the Department Finance/Personnel Committee.

Procedure:

Parliamentary procedure used to conduct meetings of this committee shall be governed by the Department of Michigan, The American Legion, Constitution and By-Laws. All questions not covered by the Department of Michigan Constitution and By-Laws will be governed by "Roberts Rules of Order Newly Revised."

Quorum:

A quorum shall exist at any meeting of the Finance/Personnel Committee when a majority thereof shall be present, or shall have replied to mail polling. At no time shall lack of quorum prevent those present from proceeding with the program but, where there is not a quorum, no vote shall be taken.

Amendments:

These procedures may be amended, in content but not in format, by a majority of the members of the committee; submitted to the Internal Affairs Committee for review and recommendation and approved by the Department Executive Committee.

Approved: April 8, 1979

Amended by the DEC: July 19, 1984; July 13, 1986; April 3, 1993; March 11, 2000, September 16, 2005, July 8, 2006, September 23, 2006