

words to live by

UNIT FINANCES FACT SHEET

It is important to remember that the unit belongs to the Charter Partner, not the Boy Scouts of America. In any question of tax liability, the unit assumes the same tax status as the Charter Partner. A unit uses the tax number used by the Charter Partner or applies for its own. The latter is not recommended since there is an expensive application fee and far more than savings realized over, probably the next ten years. The chartered organization should audit the unit finances annually and make this data available to the membership of the chartered organizations.

The unit committee is responsible for finances. A treasurer is assigned and the committee chairperson should receive the bank statement to reconcile. All unit funds should pass through the bank account; this includes but is not limited to dues, fundraising, popcorn and Scout World ticket sales and gifts. An exception might be registration fees which are collected by District/Council representatives are transmitted to the Scout Service Center. Those not needed for registration at that time are deposited in the Unit Account.

Unit funds should be deposited in a checking account that requires two signatures on every check. Family members must not approve payment or be the second signature. The unit leaders could be one of the signees (but it is recommended it be a committee person.) It could be that the unit leaders have a petty cash fund (limit set by the unit committee,) which is accounted for the receipts each month. All unit money-earning projects must be approved in advance by using BSA's Unit Money Earning Application (#4427.) This is usually done at the district level but it is always subject to review at the council level.

It is recommended that units have an account at the Scout Service Center. This aids in the purchase of needed supplies and all advancement. The unit may open the account with a deposit of \$25.00 and must always maintain a positive balance. No charges will be permitted in the account is negative or will be when the charge is applied. Statements are available upon request. The Federal ID# must be on file if the unit expects to not pay any sales tax.

It is suggested that units insure their equipment. A unit is usually an unincorporated association, not a legal entity that can bear title to property. The Chartered Organization owns the unit and all property and funds used by the unit remain the responsibility of the organization as long as the charter issued by the BSA remains in place. It is recommended that annually an inventory be given to the charter partner of the unit's equipment.

In the event of the dissolution of a unit or the revocation/lapse of its charter, the unit committee shall apply unit funds and property to the payment of unit obligation and shall turn over the surplus, if any, to the Council. In the case of a chartered organization, any funds or equipment which may have been secured as property of the unit shall be held in trust by the chartering organization of the Council, as may be agreed upon, pending reorganization of the unit or for the promotion of the program of the Boy Scouts of America.



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