



**MILITARY OFFICERS ASSOCIATION OF  
AMERICA**  
Ark-La-Tex Chapter  
P.O. Box 134  
Barksdale AFB, La. 71110



S.O.P. NO. 03-4  
Effective: 1 February 2003

**BUDGETING PROCEDURES**

A. PURPOSE:

To establish standard operating procedures for chapter budget preparation, management and disbursement.

B. GENERAL:

1. The Treasurer is responsible for preparation of the budget. The budget is approved by the Board of Directors (BOD). The chapter fiscal year is on a calendar year basis.
2. Budget timeline summary:
  - a. October BOD Meeting: deadline for receipt of all requests for grants, donations, or other support items.
  - b. November BOD MEETING: Treasurer presents draft budget to BOD.
  - c. December BOD Meeting: BOD approves next years budget.

C. BUDGETING PROCEDURES:

Budgeted line items are divided into three areas: RECURRING; ADMINISTRATIVE; and SPECIFIC.

1. RECURRING and ADMINISTRATIVE EXPENSES: Current and past years actual expenses will be used and modified for projected changes.
2. SPECIFIC EXPENSES:
  - a. All request for grants, donations, or other support funds must be submitted in writing to the BOD not later than the October BOD Meeting. The BOD will consider each request, make appropriate additions or deletions to meet program requirements and funding constraints, and make a decision on each request. Each line item *recommended for inclusion* in the budget will be forwarded to the Treasurer for inclusion in the draft budget to be presented at the November BOD meeting.
  - b. All individuals or organizations whose request for a grants or donations from the chapter if *denied* at the October or November BOD meeting will be informed of the status of their request in a written response from the chapter. The Secretary will prepare a letter for the Presidents' signature documenting the BOD decision. These letters should normally be mailed during the week following the decision.

- c. The Treasurer will present a DRAFT BUDGET at the November BOD meeting. Funding sources from dues, donations and project income will be reviewed to insure adequacy to meet the anticipated budget requests. Based upon the BOD discussions and recommendations, the Treasurer will present the final budget for approval at the December BOD meeting.
- d. The final decision on requests for grants or donations that have been recommended for approval during the budgeting process will be made with the adoption of the budget at the December BOD meeting. The Secretary will prepare, and bring to the December BOD Meeting, letters to individuals and organizations whose *request is to be included in the budget*. These letters will normally be mailed the week following approval of the budget. If a request has been approved for an amount different than that requested, our letter will specifically include that information in the letter. The letter will also include specific instructions that the requester must submit a subsequent letter to the BOD at the time their budgeted funds are needed, restating the purpose of those funds, and requesting that the funds be forwarded to them.

D. MANAGEMENT PROCEDURES:

1. The Treasurer or President is authorized by the BOD to expend funds within limits of the line items approved for the final budget.
2. Items not included in the budget will require BOD approval before disbursement.
3. Items that exceed the budget will be presented by the Treasurer and require BOD approval before disbursement.

E. DISBURSEMENT PROCEDURES:

1. The Treasurer will execute disbursement for the approved budgeted line items only upon receipt of the following documentation:
  - a. Proper bill or invoice from vendors for goods or services performed.
  - b. A written request from an individual or organization that has received prior approval. The request should confirm the original intended use of the funds. Any deviation will require BOD approval.
  - c. A written request from a Chapter member or other official for a reimbursement of an approved recurring or administrative expenses.
2. In each case, the Treasurer, cross-referencing the check number with the execution document, will maintain an audit trail.
3. The Treasurer will report all disbursements by budgetary category at each BOD meeting.