



DEPARTMENT OF NORTH CAROLINA

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2025-2026 FINANCE BULLETIN

Dear Unit President and Treasurer:

This bulletin is to provide a guide to planning your finances for the year. A sound budget is needed to guide officers in wise expenditure of your funds. Your Department Finance Committee recommends that each Unit prepare a budget with two funds: general fund and poppy fund. We have assembled the following information regarding your obligations to the Department and National.

GENERAL FUND: Because of rising costs, the expenses of operating the Department Headquarters have increased considerably – including the addition of office rent (\$400.00 monthly) to the NC Legion. To underwrite these increases, the Finance Committee is asking Units to contribute annually to the General Fund.

MEMBERSHIP DUES: Senior membership dues are \$31.00 and Junior dues are \$8.50. Units may set their own dues if they cover this amount. Some Units prefer to raise enough money to cover all their obligations with membership dues; others prefer to raise money with projects.

BONDS: Under a bonding system through National, every Unit member is bonded with a liability limit of \$10,000. Each Unit **MUST PAY** the \$7.00 fee by November 1. This is a performance (or position) bond and does not cover loss or robbery. Should the Unit wish a theft or robbery type bond, local coverage must be bought. This is now Mandatory for Units to stay in "good standings."

BOOKLETS: The Department does not handle booklet orders. These supplies should be ordered directly from National Emblem Sales (1-888-453-4466). The Department will supply membership materials such as cards, applications, member data forms, etc. Units are encouraged to create and provide New Member Kits particularly. Membership forms can also be printed from the Department and National Website.

MAILING: The Department mails the new Finance Bulletin to Unit Presidents and Treasurers in July. Department Executive Committee (DEC) will receive the mailing via email. All other monthly mailings will be by email unless otherwise requested. A \$14.00 fee will be charged to Units/members for monthly mailings to be sent by mail.

STATE HEADQUARTERS: This fund provides office equipment at Department Headquarters. There are no other funds budgeted for this purpose. Please donate.

VETERANS AFFAIRS AND REHABILITATION FUND: This fund covers the cost of the Department VA&R program, such as need/comfort items and indigent patient care for all hospitalized veterans in the four VA Medical Centers. It also covers expenses for the Department program chairman. A Unit's "Fair Share" is \$3.00 multiplied by its 2025 membership (juniors and seniors). If Units do not contribute their "Fair Share", we will not be able to adequately serve our veterans; so please know your financial support is vital to the success of the Department VA&R program. Refer to the enclosed VA&R bulletin for your "Fair Share" amount. Payments greater than your Unit's Fair Share amounts are encouraged and welcomed. Donations to Past President's Parley are used exclusively to help provide for needs of female veterans in NC VA Medical Centers. "Fair Share" is now Mandatory for the Unit to stay in "good standing."

Please note that ALL donations for VA Medical Centers in NC should be sent to the Department Office with a notation as to their intended purpose. DO NOT give monetary donations to any VA representatives or deputies.

POPPY FUND: Monies received from poppy distribution can be used for VA&R and children of veterans in the Children and Youth program. Enclosed is an order form for poppies. The price is \$250 per 1000 small poppies and \$6 for 10 large Poppies. Prices are subject to change if our cost of acquiring poppies should increase. Please see Poppy order form for other amounts you can order. This covers the cost of materials, the amount paid to the veteran making the poppy and mailing costs. You can order leaflets from National Emblem Sales (1-888-453-4466).

The poppy is a vital part of the American Legion Auxiliary programs. It is an obligation of prime importance for each Unit to order and distribute Poppies on Poppy Day. An order of poppies or a donation to the Poppy Fund is required for a Department Citation.

SCHOLARSHIP FUNDS: These scholarship funds are supported by Unit contributions. These monies are used to provide one scholarship each year to a deserving student.

NANNIE W. NORFLEET SCHOLARSHIP: One scholarship in the amount of \$1,000 will be awarded each year. A Unit may select and submit one application. The completed application must be received at Department Headquarters by the deadline of April 1st. Application forms are available from Department Headquarters. The Department Education Committee will select the winning entry.

WARREN-RAGAN SCHOLARSHIP: One scholarship in the amount of \$1,500 will be awarded each year to a Junior Member. A Unit may select one (1) Junior Member and submit one (1) application. The completed application must be received at Department Headquarters by the deadline of April 1st. Application forms are available from Department Headquarters. The Warren-Ragan Committee will select the winning entry.

For your information, the Department of NC budget is set up under the following funds:

GENERAL FUND: This fund is made up of monies received from membership dues. From this fund are paid office salaries, all office operation costs, expense allowances for Department Officers and Chairmen, and expenses for Department and National meetings. Monies from membership comprise the majority of the General Fund.

VETERANS AFFAIRS AND REHABILITATION: This fund is supported totally by Unit contributions. These monies are used as stated earlier in the section on VA&R.

CHILDREN AND YOUTH FUND: Revenue in this fund comes from Unit contributions.

POPPY: Revenues come from the sale of poppies to Units or donations to this fund. These revenues cover the cost of materials, labor for making poppies, mailing, as well as purchasing ready-made poppies from other Departments.

IMPORTANT: All checks should be made payable to "American Legion Auxiliary". Note: If the check is for an item or items specified on the obligation form, please send a completed form with your check. It is not necessary to submit separate checks for each fund if you use this form and itemize. Make certain each check contains pertinent information, such as the name and number of the Unit. Please use Unit checks or money orders. **DO NOT** send cash or personal checks.

Please note that if any payments are issued to Units for overpayments, Unit's share of on-line dues payments, etc., those checks must be banked within 60 days from issuance. Any checks outstanding after sixty (60) days will be voided and deemed a donation from the unit.

AUDIT: Units should have their books audited at the end of each fiscal year. Three members can make up the Audit Committee.

UNITS MUST FILE UNIT TAXES: While the Department does NOT need to see your tax returns, please note the Audit/Tax forms for your records once your Unit has filed your taxes: WWW.IRS.GOV .

When annual gross receipts are \$50,000 or less an entity may file IRS Form 990-N (e-Postcard). When gross receipts are greater than or equal to \$200,000 or total assets are greater than or equal to \$500,000 the IRS Form 990 is required. The IRS Form 990-EZ may be used when the gross receipts are less than \$200,000 and total assets are less than \$500,000. The federal filing due date for the IRS is the 15th day of the 5th month after the close of the organization's tax year. The IRS requires public charities to send a formal acknowledgment letter for any donation of more than \$250.00. The donor may use this letter as proof of his or her contribution and claim a tax deduction.

DEPARTMENT CITATION REQUIREMENTS:

- Equal last year's membership
- VA&R "Fair Share" Contribution
- Fidelity/Treasurers Bond (\$7.00)
- Poppy Order or Donation
- General Fund Contribution in minimum amount of \$25

Deadline for meeting these requirements is the close of books for Department Convention.

MEMBERSHIP CERTIFICATE: This is awarded to the Unit who reaches its current membership goal by the close of books for Department Convention.

MEMORIAL DONATION: A great way to honor a deceased member is a Memorial donation to any of our funds. Please use the Memorial form for these contributions.

PLEASE USE THE DEPARTMENT UNIT DONATION-OBLIGATION FORM (formerly known as the BLUE FORM) WHEN YOU SEND MONEY TO THE DEPARTMENT OFFICE!

FINANCE COMMITTEE

Mary Thorsten (3), Chairmen

Michelle Potuzak (4)

Martha Corriher (2)

Kaye Hirst (1)

Toni Reale (1)