

## District 19B Policy Manual

### Chapter 10

#### Rules of Audit

The rules of audit are to serve as guidelines for the budgeting and reimbursement for the following:

1. Preparation for and conduct of the 19B annual spring convention.
2. Preparation, publication and mailing of the Busy B monthly district newspaper.
3. Special expenses incurred by or approved by the seated District Governor that would not ordinarily be covered by the District accounts held by the Multiple District.

#### **A. Spring Convention**

1. Annually, the Spring Convention chairperson shall prepare and submit a convention budget covering those items which are necessary for the conduct of the convention.
2. The budget shall include all projected expenses, including those required by the Multiple District.
3. Pre-convention funds raised to support the convention shall be deposited in the District account.
4. All convention expenses, except those specifically identified by the District Cabinet and the District Governor, shall be approved for payment by the Convention Chairperson.
5. The Convention Chairperson shall prepare and present a financial review of the convention to the District Cabinet within ten days of the close of the convention. This review shall be forwarded to the Multiple District office as required by the MD Policy Manual.
6. Annually, at the completion of the Spring Convention, the Convention Chairperson shall prepare budget recommendations for use by the upcoming convention chairperson in his/her budget preparations.

#### **B. Busy B**

1. The Busy B editor shall annually prepare an operating budget for the preparation and publication and mailing of the District newspaper, the Busy B.
2. The budget shall include projected income from advertising and fund raisers. The budget shall show a cumulative balanced position.
3. While all budgeting shall be on an annual basis, extraordinary expenses that cause a current budget deficit shall be allowed if unexpended funds raised for previous budget years are sufficient.

4. The Busy B editor, after receiving budget approval by the District Cabinet, shall be responsible for approval of all expenses.

**C. Special Expenses**

1. The Multiple District Rules of Audit specify those items that will be paid by District accounts when incurred by various District Officers (District Governor, Vice District Governor, Zone Chairmen).
2. Expenses necessary for the operation of the District, not covered by the Multiple District accounts, and approved by the District Cabinet shall be reimbursed by the District.
3. The District Governor, with recommendations by the Immediate Past District Secretary/Treasurer, shall annually prepare a budget plan of proposed expenditures not covered by Multiple District Accounts. This plan shall show that it does not exceed monies available from previous years, or projected income from all sources.
4. Items not covered by the budget plan shall be recommended for reimbursement by the District Governor and approved by the District Cabinet.

**D. Special Project Grants:**

1. All grant applications for LCI or LCIF grants must be presented to, and approved by, the District Cabinet.
2. All grant funding received will be processed by the Grant Administrator.