

# AMC NH Chapter Finance Policy

Appalachian Mountain Club  
New Hampshire Chapter

## Table of Contents

AMC NH Chapter Finance Policy .....	1
1 Overview & Purpose .....	2
1.1 Effective Date .....	2
1.2 Archive.....	2
2 Reporting Guidelines .....	2
2.1 AMC NH Activity Finance Reporting Form .....	2
3 Activity Planning .....	3
3.1 Participant Fees .....	3
3.2 Expenses .....	4
3.3 Leader Expense Reimbursement.....	4
3.4 Other Considerations .....	5
4 Policy Changes.....	5
5 Appendix.....	5
5.1 Archival of submitted forms .....	5
5.2 Alternate Forms .....	6
5.3 Example of Activity Funds Transactions Through Treasurer.....	6
5.4 Example of Leader Expense Reimbursement .....	6

## Revision History

When	Who	What
2011 Sept. 8	Wayne Goertel	Created initial draft to facilitate discussion amongst NH Chapter ExComm.
2011 Oct. 4	Wayne Goertel	Updates based on feedback from NH ExComm, et al.
2011 Nov. 3	Wayne Goertel	Updates based on feedback from NH ExComm, et al.

# 1 Overview & Purpose

The AMC NH Chapter finance policy was created to provide guidance and help ensure prudent and transparent operation and reporting of activities involving participant fees or chapter funds. It endeavors to accomplish this goal while minimizing the reporting burden for activity leaders, committee chairs, and treasurers.

Expense reporting is a standard business accounting practice. Thus, many aspects of this policy should be familiar to chapter volunteers & staff who have submitted expense reports to employers.

## 1.1 Effective Date

This policy becomes effective for any activities posted on or after January 1, 2012.

## 1.2 Archive

The latest policy and forms can be found here.

AMC NH Chapter website (<http://amc-nh.org>)

>> Resources >> Leadership

<http://amc-nh.org/resources/leadership.php>

# 2 Reporting Guidelines

## 2.1 AMC NH Activity Finance Reporting Form

The NH Chapter has specified forms for this purpose, and requires their use in certain circumstances.

### 2.1.1 When is the form required?

An AMC NH Activity Finance Reporting Form is required to be completed and submitted by activity leaders whenever participants make payment for an activity by paying its leader(s) directly, instead of paying the NH Chapter or a designated NH Chapter committee. The intention of the form is to provide prudent financial reporting transparency for financial transactions not reported through the already audited NH Chapter and NH Chapter committee accounts.

The AMC NH Activity Finance Reporting Form is required to be completed and submitted by activity leaders for their activities which meet all of the following criteria.

- 1) Participants pay to participate in an activity
- 2) Participants make payment for an activity by paying its leader(s) directly, such as cash or checks made out directly to an activity leader
- 3) The activity fees for all participants total \$100 or more

### **2.1.2 Form submission**

Completed forms should be submitted within 45 days of the conclusion of the activity. Forms should be submitted to the chair(s) of the NH chapter committee hosting the activity, as well as the NH chapter treasurer. Amendments to submitted form are allowed, should it be found that participant fees or expenses were incorrectly reported previously.

Electronic or paper copies are acceptable, though an electronic copy of the completed form is preferred over paper copy to simplify archiving.

### **2.1.3 Archival of submitted forms**

Submitted activity finance reporting forms should be retained by the sponsoring committee and appropriate treasurer for three years.

### **2.1.4 Alternative forms**

"Equivalent" forms are not permitted. If specific shortfalls in the chapter-approved form are found, the chapter-approved form should be modified. Reasonable additions to the form, such as a leader adding additional rows to itemize income & expenses, are allowed.

## **3 Activity Planning**

### **3.1 Participant Fees**

#### **3.1.1 Guidelines for checks**

Participants paying by check should make them payable to AMC NH Chapter, or the specific sponsoring committee if that committee has its own bank account/checkbook.

#### **3.1.2 Guidelines for cash**

Participant payment by cash is inevitable, particularly for activities where participants pay at the time of event. Cash so received can be applied to immediate activity expenses. It is the leader's responsibility to properly account for cash received.

#### **3.1.3 Guidelines for credit card payment**

The AMC NH Chapter has implemented payment online via credit card for certain events, typically larger activities, and may be an available participant registration and payment option.

#### **3.1.4 Participant deposits**

Activity leaders may require participants provide a deposit to secure their attendance in an activity. These deposits may offset activity preparation expenses or ensure commitment of attendance by registered participants for events of limited size.

### **3.1.5 Refund policy**

The activity leader must disclose to participants a refund policy, allowing a full refund, partial refund or no refund, and specifying any other necessary criteria for obtaining a refund. This refund notice should cover refund requests initiated by participants (e.g. "full refund provided only for participant cancellations at least 14 days in advance of activity"), or activity cancellations decided by the activity leaders.

### **3.1.6 Leftover fees**

If participant fees exceed activity expenses, the remainder should be returned to the chapter or sponsoring committee, or returned back to the participants. Small remainders are impractical to return to participants, given postage expenses and mailing overhead. The activity leader must disclose to participants what will be done with any surplus income from participants.

## **3.2 Expenses**

### **3.2.1 Receipts**

Receipts are required for reimbursement of expenses of \$20 or more.

### **3.2.2 Deposits and advance expenses**

Some activities may require funds in advance of the activity to cover preparatory expenses. Advance deposits may be required to be reserve facilities for an activity. For approved activities, the NH Chapter or sponsoring committee can issue advance payment of anticipated expenses or reimburse charges for facility deposits. In this circumstance, advance participant payments or deposits should be submitted to the NH Chapter or sponsoring committee.

## **3.3 Leader Expense Reimbursement**

Limited leader expenses for the activity may be offset by participant fees, though volunteer leaders should not "profit" from leading activities.

### **3.3.1 Reimbursement caps**

A 25% leader expense reimbursement cap applies to non-training activities. For such an activity, each leader would require four participants for the leader's expenses (such as for lodging, meals, and materials) to be fully reimbursed, a 1:4 leader to participant ratio.

Unfortunately, participants sometimes do not attend the activity for which they registered. The specified 1:4 leader to participant ratio for expense reimbursement is thus based on registered participants and not actual participants.

### **3.3.2 Allowable activity expenses**

A complete list of allowable expenses cannot be practically defined. However, leader expenses of the same type paid for by participants are allowed, such as lodging, meals, materials, and required fees during

the activity. Examples of activity expenses not allowed to be reimbursed directly from participant fees would be extended use personal equipment expenses, such as purchasing a backpack or kayaking paddle for the trip leader.

### **3.3.3 Variance**

It is understood that some important NH Chapter or committee activities are structured or staffed in a way that may be difficult to comply with the leader expense reimbursement guidelines. These activities may be granted an exception to this policy. Such special circumstances can be accommodated by NH Chapter or committee budgeting, or other funding pre-approval.

*Training events are likely to have higher expenses and leader needs. For instance, NH Chapter Winter School at Cardigan retains volunteers for many classes which will have varied enrollment. There are additional other non-activity volunteers, such as those helping out with meal preparation, thus representing a higher leader count despite a lower total participant cost because meals prepared otherwise would be more costly.*

### **3.3.4 Discount rates**

It is sometimes common for vendors to offer discounts for groups or incentives for group leaders. These incentives can often help reduce participant cost or conversely increase available budget for leader expense reimbursement.

## **3.4 Other Considerations**

### **3.4.1 Member discounted fees**

The NH chapter recommends activity leaders differentiate fees for AMC members and non-members, except for activities specifically targeting potential new members. As some club membership fees do make it back to chapters for sponsored activities, members should be rewarded for their contributions to the club. The approved activity finance forms include areas to charge these participants differently.

## **4 Policy Changes**

Updated policy and forms must be approved by the AMC NH Chapter Executive Committee.

## **5 Appendix**

### **5.1 Archival of submitted forms**

Keeping documents in personal email is a challenge particularly during transitions between volunteers, and should be discouraged.

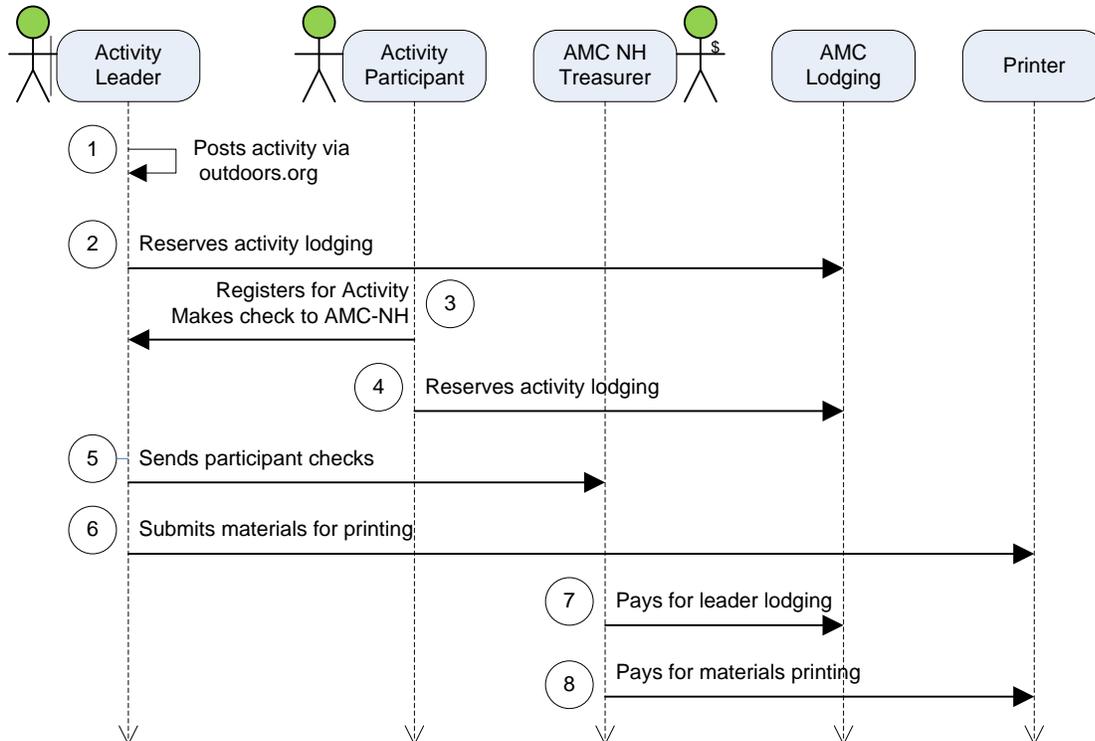
Each committee and the chapter treasurer should designate a private online repository for electronic forms, to facilitate availability of these forms between volunteer terms.

## 5.2 Alternate Forms

Given that the Activity Finance Reporting form provided herein is a fairly basic accounting of income & expenses, it is not expected that committees or individual users will find unique reporting requirements that would not be appropriate to include in the chapter-approved forms.

## 5.3 Example of Activity Funds Transactions Through Treasurer

This example demonstrates a great service our treasurers provide to the chapter, and why activity leaders shouldn't need to deposit funds directly into personal accounts.



## 5.4 Example of Leader Expense Reimbursement

Wayne and Bob are leading a weekend hiking activity. Two nights lodging is \$160/person. Meals cost \$80. Thus, total raw cost per participant is \$240. With a 25% reimbursement cap, these two leaders would require eight participants for their expenses for lodging and meals to be fully reimbursed. Applying this maximum cap, participants would be charged \$300 for the event. The extra \$60/person would total \$480, covering the \$240/person expenses for the two leaders.

If only six participants registered, the extra fees which could be applied for leader expenses would total \$360, or \$180/leader. Each leader would be obliged to pay \$60 of their expenses for this activity. If ten participants register, the extra fees would total \$600. There would be a remainder of \$120 after offsetting the leader expenses. At only \$12 overage per participant, this would likely be returned to the chapter.

Anticipating a larger attendance of at least 16 participants, they could plan for a lower overhead of \$30/participant (12.5%) for \$270 total to cover leader expenses.

# Appalachian Mountain Club

## NH Chapter Activity Finance Report

Activity: \_\_\_\_\_

Activity Date(s): \_\_\_\_\_ Committee(s): \_\_\_\_\_

Leader(s): \_\_\_\_\_

# AMC Member Participants \_\_\_\_\_ Member Fee \$ \_\_\_\_\_ Total \$ \_\_\_\_\_

# Non-member Participants \_\_\_\_\_ Non-member Fee \$ \_\_\_\_\_ Total \$ \_\_\_\_\_

# Leaders \_\_\_\_\_ Leader Fee \$ \_\_\_\_\_ Total \$ \_\_\_\_\_

**Total Activity Size (people)** \_\_\_\_\_ (a) **Total Fees** \$ \_\_\_\_\_

### 1. Income

#	Description (E.g. chapter advances, non-refundable participant deposits)	Date	Amount
1.	Participant/Leader fees (if applicable)		\$
2.			
3.			
4.			

**Total Income** \$ \_\_\_\_\_

### 2. Expenses

#	Description (E.g. lodging, meals, usage fees, equipment, deposits)	Date	Amount
1.			\$
2.			
3.			
4.			
5.			
6.			
7.			
8.			

**Total Expenses** \$ \_\_\_\_\_ (b)

**Balance (Income – Expenses)** \$ \_\_\_\_\_

**Average Expense per participant (Expenses (b) / Activity Size (a) )** \$ \_\_\_\_\_

### Reminders

1. Receipts required for expenses over \$20.
2. Limited leader expenses for the activity may be offset by participant fees, though volunteer leaders should not “profit” from leading activities.
3. Balance of participant fees must be returned to participants or the sponsoring chapter/committee.