



GSCB Financial Account Management Guidance

November 2023

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Account Management

Financial Account Requirements and Guidelines

Account and Signer Basics

- Girl Scouts of the Chesapeake Bay abides by the policies and standards for the Girl Scouts of the USA and complies with applicable IRS requirements.
- All active Service Units and Troops must have an established bank account.
- All bank accounts are required to be setup under GSCB's Federal Employer Identification Numbers (FEIN): 51-0064337
- All accounts must be set up as checking accounts.
- All accounts must have ACH (Automated Clearing House) capability.
- All **Troop bank accounts** are required to be named as the following:

Girl Scouts of the Chesapeake Bay Troop #####

- All **Service Unit bank accounts** are required to be named as the following:

Girl Scouts of the Chesapeake Bay Service Unit ###

- All bank accounts require the following of signers:
 - o A minimum of two, unrelated, adult signers.
 - o Must be registered member of Girl Scouts of the Chesapeake Bay
 - o Must have an active and approved background check on file.
 - o Signers cannot reside in the same household.
 - o All signers are responsible for safeguarding and maintaining sufficient funds to cover payments drawn on the accounts.
 - o As with any bank account, signers are legally responsible for all account transactions.
- Volunteers in the following roles can be signers on the account types as specified:
 - o Service Unit Bank Accounts
 - Service Unit Manager
 - Service Unit Treasurer
 - Service Unit Support Volunteer
 - o Troop Bank Accounts
 - Troop Co Leader
 - Troop Support Volunteer

Debit Cards

GSCB authorizes a maximum of two (2) debit cards per Service/Unit or Troop bank account. The debit cards are required to be in the name of the two signers on the account.

Checks

Service Units/Troops are not required to have checks; however, they are convenient for conducting Girl Scout business, i.e., reimbursing volunteers. **Checks should never have specific volunteer names or addresses on the face of the check.**

Under no circumstance should a check be written to and signed by the same individual. Signature requirements for check payments from a SU/Troop account:

- A check being written to a third party requires only one signature.
- A check being written to an account signer for reimbursement requires two signatures.

By following this procedure, signers are largely protected from suspected misuse of funds.

Credit Cards/Loans

GSCB prohibits Services Unit and Troops from applying for Credit Cards or Loans.

Statements

Bank account statements should be sent and accessible to all signers on the account. These can be electronic or paper. It is important to note that GSCB reserves the right to request account statements at any time to ensure appropriate use of funds.

Account Fees

A financial institution should be located that offers no-fee accounts for non-profit organizations. This will vary from branch to branch. If a no-fee account cannot be found, an account with the lowest fee structure should be chosen.

Account Overdraft

Signers are responsible for any fees/charges for overdrawing the service unit/troop account. Fees/Charges associated with an overdraft should NOT be taken from girl earned Troop funds.

Personal Expenses

There must be a clear separation of personal and troop funds. No personal expenses should be paid from the service unit/troop account and no troop money should be deposited into a personal bank account.

Opening a New Account

1. Arrange for a minimum of two signers for the account.
 - a. Each signer must be a registered adult volunteer and have a current membership through GSUSA.
 - b. Each signer must have a current active background check on file with Council.
 - c. Each signer must complete the 200 Finance training available in gsLearn.
 - d. Council policy prohibits anyone who is related to or living in the same household from serving as cosigners on the same account.
2. Determine the Financial Institution where the Service Unit/Troop will bank.
3. Submit the [GSCB Troop/Service Unit Banking Request Form](#).
4. A GSCB Staff Member verifies that all account signers are registered, background checked, and unrelated.

5. GSCB Staff Member emails the volunteers an account opening letter and copy of the GSCB 501(c)3 Status.
6. Account signers arrange a date and time to meet at the financial institution to open the account.
 - a. All signers will need at least one photo id. Please review your financial institutions' requirements prior to arriving.
7. When the account has been setup by the bank, a signer must provide GSCB with the following information:
 - a. Routing Number
 - b. Account Number

Updating an Account

1. The service unit volunteer or troop leader submits the [GSCB Troop/Service Unit Banking Request Form](#).
2. A GSCB Staff Member verifies that all account signers are registered, background checked, and unrelated.
3. GSCB Staff Member emails the volunteers an account update letter.
 - a. Letter will include those being added and removed.
 - b. Letter will include any updates for point of contact changes for statements.
4. Account signers arrange a date and time to meet at the financial institution to update the account.
 - a. All signers will need at least one photo id. Please review your financial institutions' requirements prior to arriving.
 - b. In some cases, the individual being removed from the account will also need to be present. Please connect with the financial institution to understand their policies before going.
5. Important: All checks/debit cards show be collected and destroyed from any individual who is no longer a signer on the account.

Closing an Account

Important! Please review the Troop Disbandment section prior to beginning the account closure process.

Important! Do not close the account before ensuring all scheduled debit purchases and outstanding checks have cleared the account.

1. The service unit volunteer or troop leader submits the [GSCB Troop/Service Unit Banking Request Form](#).
2. GSCB Staff Member emails the volunteers an account closer letter.
3. Account signers arrange a date and time to meet at the financial institution to close the account.
 - a. All signers will need at least one photo id. Please review your financial institutions' requirements prior to arriving.
 - b. In some cases, all individuals on the account are required to be present when closing an account. Please connect with the financial institution to understand their policies before going.

4. Any remaining balance must be distributed as a check to Girl Scouts of the Chesapeake Bay and sent directly to the organizations headquarter building.
 - a. Made out to: Girl Scouts of the Chesapeake Bay
 - b. Address: GSCB, 225 S Old Baltimore Pike, Newark, DE 19702
 - c. Memo: Troop ##### Account Closing

Fund Management

Girl Scout Funds Basics

Girl Scouts of the Chesapeake Bay is legally responsible for all Girl Scout banking within its footprint. These assets or money are not the property of any one individual, unit, or community within a Girl Scout council. All money raised or earned, and other assets received in the name of or for the benefit of Girl Scouts must be authorized by a Girl Scout council (or GSUSA) and used for the purposes of Girl Scouting.

Individual girls may not benefit financially from Girl Scout related money earning activities. Under no circumstances may funds be distributed to individual troop members.

Tax-exempt Status

Girl Scouts of the Chesapeake Bay is a nonprofit corporation holding at 501(c)(3) status as determined by the Internal Revenue Services.

This status exempts GSCB from federal income taxes at the council, service unit, and troop levels. GSCB is exempt from any state income taxes. GSCB is exempt from paying Maryland and Virginia sales and use taxes. If you need the tax-exempt letter for your state, please contact Member Care at MemberCare@cbgsc.org.

GSCB Service Units and troops are subordinate units of GSCB. They are not separate legal entities and have not independent existence for tax purposes. They are not permitted to have their own Federal Employer Identification Numbers (FEIN).

All service unit and troop bank accounts are required to be opened using the GSCB Federal Employer Identification Numbers (FEIN).

- This exempts any interest earned on the account balance from income taxes.
- Estimates of the bank accounts opened by service units and troops are included in GSCB's financial statement as an asset and liability.

Current volunteers may use GSCB's sales tax exemption to purchase Girl Scout-related program supplies at third party retailers.

- Purchases must be used for activities that promote and further GSCB's mission.
- Purchases made for the benefit of a specific person (gifts, badges, patches, etc.) are not eligible for sales tax exemption.
- Purchases must be paid for with the troop's, service unit's, or group's bank account.
- An individual using their personal bank account/credit card to purchase program supplies and receive reimbursement cannot utilize GSCB's sales tax exemption.

- The Maryland/Virginia Department of Revenue does not allow GSCBs sales tax exemption to be used by volunteers or other Girl Scout members for personal purchases, or for use by an organization other than GSCB's.

Troop Funds

Money earned by girls in a troop belongs to the troop, regardless of how much each girl may have earned for the troop through individual money-earning activities. The troop must decide how to use the funds, including how they are disbursed in the event of troop membership or status change, such as members leaving, troop disbandment or troop division. Per IRS guidelines for charitable organizations, troops are prohibited from keeping separate individual girl accounts.

Troop funds should be spent in the year the funds are earned unless the troop has a long-range plan for spending the funds.

Volunteer Responsibility in Funds Management

All Service Unit and Troop bank account signers are responsible for all account activity. These responsibilities include but are not limited to account maintenance, accurate record keeping, receipt and statement retainment, overdraft fees, etc.

All Volunteers must include girls in the process of establishing goals and budgets. Additionally, keeping caregivers and other volunteers informed of Service Unit/Troop account balances and girl earned funds is important to transparency.

Annual Budgeting & Record Keeping

Budgeting

A Service Unit/Troop should collaborate in preparing an annual budget at the start of each Girl Scout membership year. A budget is a plan for discovering how much money you are going to need and where the money will come from. Budgets should always be balanced, which means your income is equal to your expenses. In teaching how to budget, remember progression in the learning experience. All troop funds, including product program participation, should be included in the total year's projected income. Although troops will not receive the funds until after the appropriate program, it will help in planning troop activities for the spring as well as for the next program year.

5 Steps to creating a Budget

BRAINSTORM

Sit down with your girls and help them brainstorm ideas for a Girl Scout wish list of activities they would like to do during the year. Most activities fall into the categories of trips, events, badges, community service and Take Action projects. The younger the girls, the more they will need adults to help. Once the girls have brainstormed with guidance, they can lead their own brainstorming session.

Before brainstorming with the girls, review these guidelines:

1. Everyone takes part.
2. Create a list by writing down every idea – repetition is okay, and spelling doesn't matter.
3. Don't think about money, cost, time, or space at this point.
4. Don't judge the ideas– no groaning, laughing, cheering or put-downs.
5. Don't discuss the how or the merits of an idea – save this for later.

SET GOALS

Have the girls read the list, making sure they understand what is meant by everything on the list. Then discuss the pros and cons of each item and eliminate those they don't want to pursue. Girls then vote on their choices, using a democratic decision-making process. Guide the girls in narrowing down the list. Once the list is narrowed down, separate the list into three groups: NOW, SOON, and LATER. Choose from the NOW list to set your troop goals and save the other ideas for a later time. Then help the girls discuss and choose which activities they would like to put on their troop calendar for the next few months or whole year.

DETERMINE COST

Research the cost of the activity. The younger the girls, the more adult help they will need. Older girls can do much of the research on their own. Expenses include admission, site fee, food, transportation, and supplies. This information is presented to the troop to discuss and make further decisions.

PLAN A BUDGET

A budget includes the estimated cost per person and anticipated income. It might include just one activity or the entire year. Brownies through Ambassadors benefit from learning how to budget. Even Girl Scout Daisies can make simple decisions about how to spend their troop funds. As the girls grow, they take on more responsibility for budgeting and working within a budget. Once activities have been decided, the girls will be able to determine how the troop will secure funds for the activities. After the girls have figured out the total estimated cost of an activity, they need to compare it to the troop treasury and projected troop income. Begin to budget for an activity by asking the girls the following questions:

1. Do we have enough money for the activity?
2. Do we want to spend this much of our treasury on this one activity?
3. What are the ways we could cut the cost of this event?
4. What are the ways we could earn money to cover the cost of this activity?

This is the time for girls to revise the budget, so it becomes a workable plan. They'll learn to make compromises and think creatively as they fine-tune their budget. Sometimes choices must be made based on funds available. Maybe a less expensive activity would enable all girls to attend. A troop working together to earn money helps every girl participate more fully.

WRITE IT OUT

Once the troop has decided on its financial plan, describe it in writing. If the plan involves a troop money-earning activity, fill out an application for Council approval and submit it along with the budget worksheet the girls have created.

Financial Record Keeping

Service Units and Troops must maintain documentation of purchases and account maintenance records for a minimum of two years. This includes all receipts, statements, and proof of electronic transactions.

On an annual basis, Troops are required to submit the Troop Finance Report in the Volunteer ToolKit platform. Service Units are required to submit the Service Unit Finance Report using the [GSCB Service Unit Annual Finance Report](#) submission form. Using the GSCB Troop or Service Unit Financial Worksheets (downloadable Excel documents) assist in accurate record keeping of the required categories and can be used to track finances throughout the year.

Financial abilities progression by program-level

As with other Girl Scout activities, girls build their financial and sales savvy as they get older. It is important to understand the abilities and opportunities for progression of girls at each program level.

Girl Scout Daisies
The group volunteer handles money, keeps financial records, and does all group budgeting.
Caregivers/guardians may decide they will contribute to the cost of activities.
Girls can participate in Girl Scout cookie activities and other council-sponsored product sales.
Daisies are always paired with a volunteer when selling anything. Girls do the asking and deliver the product, but volunteers handle the money and keep the girls secure.
Girls should be given the opportunity to practice identifying money and counting back change with an adult during each transaction.

Girl Scout Brownies
The group volunteer handles money, keeps financial records, and shares some of the group-budgeting responsibilities.
Girls discuss the cost of activities (supplies, fees, transportation, rentals, and so on) with guidance from their volunteer(s).
Girls set goals for and participate in council-sponsored product sales.
Girls may decide to pay dues to contribute to the cost of activities.

Girl Scout Juniors
The group volunteer retains overall responsibility for long-term budgeting and record-keeping but shares or delegates all other financial responsibilities.
Girls set goals for and participate in council-sponsored product sales.
Girls decide on group dues, if any. Dues are collected by girls and recorded by a group treasurer (selected by the girls).
Girls budget for the short-term needs of the group, on the basis of plans and income from the group dues.
Girls budget for more long-term activities, such as overnight trips, group camping, and special events.
Girls budget for Take Action projects, including the Girl Scout Bronze Award, if they are pursuing it.

Girl Scout Cadettes, Seniors, and Ambassadors

Girls estimate costs based on plans.
Girls determine the amount of group dues (if any) and the scope of money-earning projects.
Girls set goals for and participate in council-sponsored product sales.
Girls carry out budgeting, planning, and group money-earning projects.
Girls budget for extended travel, Take Action projects, and leadership projects.
Girls may be involved in seeking donations for Take Action projects, with council approval.
Girls keep their own financial records and give reports to caregivers and group volunteers.
Girls budget for Take Action projects, including the Girl Scout Silver or Gold Awards, if they are pursuing them.

Funding Sources

Product Program

Product Programs are the primary source of income for Girl Scout Troops. Troops and Girls participate in two council-wide Product Programs: Girl Scout Fall Product Program and the Girl Scout Cookie Program. Through these programs Troops earn troop proceeds based on total sales. Participation in Product Programs is the lowest risk activity in which a troop can earn money.

Troop Dues

Troop dues are the funds that girls contribute to help pay for the Girl Scout troop program and goals. Troops may agree to charge each troop member nominal dues to support troop activities. This amount should be carefully considered by the leaders and approved by caregivers/guardians and girls, if the age is appropriate.

No girl should be denied membership based on the inability to pay. For questions regarding financial assistance, please contact Member Care at MemberCare@cbgsc.org or 1-800-341-4007.

Additional Money-earning Activities

Additional Money-earning Activities are activities organized by the Service Unit or Troop with GSCB approval. The activities are planned and carried out by girls (in partnership with adults) in order to garner funds for the troop. Volunteers must review the [GSCB Additional Money-earning Guidelines](#) and submit a [GSCB Money-earning Activity Application](#) for approval by GSCB prior to starting their activity.

Sponsorships

Sponsorships are voluntary agreements between individuals, small local businesses, schools, or community organization to support troop membership and program. Sponsorships include employee matching gifts or employee volunteer hours programs.

Employer Matching Programs

Several employers offer matching gifts and volunteer service hours to their employees. Employers may match the employee's monetary donations or donate based on the hours the employee has volunteered with a nonprofit. Matching gift forms can typically be obtained from the company's employee benefits department. All forms should be completed by the employee and submitted to the Fund Development department through email: fundraising@cbgsc.org

Donations

Service Units and troops may receive donations, however there are rules:

- Service Units and troops are not allowed to solicit monetary (I.e., cash and check) donations.:
 - Coin collections at Cookie Booths are not permitted as this is considered solicitation.
- Any single donation of money in an amount greater than \$250 must be submitted to GSCB accompanied by the [GSCB Donation Pass Through Form](#). These donations will be processed as a “pass through” to comply with the IRS guidelines. GSCB will process and record the donation for compliance purposes and redistribute the full amount to the service unit or troop.

In-kind Donations

Girl Scout troops/Juliette’s, girls pursuing their Silver or Gold Award, or other Girl Scout groups can approach small local businesses or organizations for in-kind donations of supplies, services, or volunteer time.

When approaching a small business or organization for an in-kind donation, girls must be present to present their goals and plans for what they are funding, but an adult must formally ask for the donation.

Girl Scout troops/Juliette’s, girls pursuing their Silver or Gold Award, or other Girl Scout groups cannot approach large corporations (e.g., Target, Walmart, or Cub Foods) for any kind of donation, including in-kind.

If a Service Unit/Troop/Juliette would like to approach a large corporation for an in-kind donation they must first submit the [GSCB Request for In-Kind Donation Letter](#).

Ensuring our donors receive formal acknowledgement of their donation is important to all our community relationships. If you receive any In-Kind Donations, please complete the [GSCB In-Kind Donation Reporting Form](#) to ensure that GSCB appropriately acknowledges their donation.

Unsolicited Cash Donations

Unsolicited cash donations that are offered to a service unit, troop or Juliette can be accepted.

Any single donation of money in an amount greater than \$250 must be submitted to GSCB accompanied by the GSCB Donation Pass Through Form. These donations will be processed as a “pass through” in order to comply with the IRS guidelines. GSCB will process and record the donation for compliance purposes and redistribute the full amount to the service unit or troop.

Money Management

Balances

Service Units should not maintain large balances from year to year. Service Unit funds should be used to benefit the volunteers and girl members within in the Service Unit.

Troop funds earned by girls in a troop should be spent in that Girl Scout Year. However, exceptions do apply for Troops that are planning extended travel activities or completing their Bronze and Silver Awards.

Accepting Payment

Credit Card Payments

A Service Unit/Troop can choose to accept payments through Peer-to-Peer Payment Apps or Mobile Credit Card Payment Apps.

Peer to Peer Payment Applications

Service Unit and Troops can use Peer to Peer payment apps to transfer money from caregivers/guardians to Service Unit and Troop bank accounts. Troops can use peer to peer payment apps to pay Service Unit for programs and activities, however, they are not permitted to use them for the reimbursement of volunteers and/or caregivers.

- Approved Peer-to-Peer Payment Apps
 - Venmo
 - Cash App
 - Facebook Payments
 - Apply Pay
 - etc.
- PayPal is NOT permitted for transactions.
- Any questions about a specific app can be directed to MemberCare@cbgsc.org

Use of these applications as a form of payment at Cookie Booths is a violation of many of their terms of use. It is strongly recommended that you use the Digital Cookie App or a Mobile Credit Card Payment application to process credit card payments at Cookie Booths.

Mobile Credit Card Payment Applications

Service Units and Troops can open and manage a mobile payment account through one of two approved vendors. Service Units and Troops are responsible for managing their own accounts and are responsible for any associated fees. If you choose to utilize a mobile credit card payment application, be sure to include processing fees in the troop budget.

- Approved Mobile Credit Card Payment Apps
 - Square Card
 - Clover Go

Taxation of Peer to Peer Payment Applications

Due to Tax law changes effective 1/1/2022 you may receive a 1099-K for payments received for product sales or other caregiver payments (dues, events, etc.) for your Troop from a third-party payment organization such as Square, Venmo, etc. when using a personal account.

Using Personal Money Payment Apps: Volunteers may choose to use a personal money payment app (TSO), such as a Venmo account they use for multiple purposes, and they would receive a 1099K if the total amount paid to them from all sources equals \$600 or more in a calendar year. The volunteer has the option to identify the money is not for the sale of products and is a reimbursement; however, this does not preclude them receiving a 1099K.

If a caregiver is using their personal money payment app, we recommend they indicate Girl Scout related payments are 'reimbursements' and keep separate records to verify these amounts, should they be issued a 1099K. Additionally, they should consult their local tax advisor when preparing their personal tax return.

If using Digital Cookie as the payment processor - No changes are needed, and you should not receive a 1099-K.

Cash Payments

A Service Unit/Troop may accept cash as a form of payment from customers and caregivers. It is recommended that a receipt booklet is utilized any time cash transactions are involved. One receipt copy for the customer or caregiver and one copy for the Service Unit/Troop.

Check Payments

A Service Unit/Troop can choose to accept checks as a form of payment from customers and caregivers. Accepting checks as a form of payment is at the Service Unit/Troop's own risk. If a check is returned by the bank for insufficient funds, the Service Unit/Troop is responsible for all fees and potential loss of revenue.

If a check is returned as NSF by the bank the following steps are recommended for reconciliation.

1. Immediately notify the payer to request re-payment as quickly as possible. It is sometimes best to request a cash payment or cashier's check.
2. If you are redepositing an NSF check, first contact the payor's bank to ensure funds are available to cover the amount of the check.
3. If funds are not available, send a letter to the payer requesting payment. A fee can be charged to the payee to cover bank service charges on the troop account. The fee should be the same amount charged on the troop bank statement.

Note: GSCB can assist in these matters but cannot guarantee resolution.

Product Program

GSCB will initiate an electronic transfer from the troop's bank account to pay the Council for product program transactions (i.e., cookies and fall product). It is important that adequate funds are

available. The specific dates when Council will draft the troop accounts are included in product program calendars, manuals, training materials and other communications. The troop will receive reminders during the program.

GSCB Product Program Troop Debt

If a troop neglects to pay monies owed to GSCB at the completion of a Product Program the Troop Co Leader and/or Troop Cookie Manager will be held financially responsible for the debt. The debt will require payment in full through a one-time payment or installments. Failure to resolve debt could result in the following:

- Submission to collections
- Removal from the Troop Account
- Financial Restriction

Troops can request an ACH extension for a short window of additional time to collect monies from caregivers, through the [GSCB Product Program ACH Extension Request](#) form.

GSCB Product Program Caregiver Debt

If a caregiver neglects to pay monies owed to a Troop at the completion of a Product Program a Troop can submit the [GSCB Product Program Caregiver Debt Form](#). Upon submission of this form GSCB will take ownership of the caregiver debt and deduct the debt from the Troop amount owed. GSCB will credit the troop for the balance and initiate collection with the caregiver directly.

Prior to completing the GSCB Product Program Caregiver debt form please ensure both of the following points:

- The caregiver has signed a permission form where s/he acknowledges financial responsibility for the product or funds that they receive for this program.
- The Troop leadership has made the caregiver aware of the balance and has made several attempts to collect the balance with reasonable opportunities to pay. Please ensure that you have documented each attempt of communication, whether you keep a phone log, save text messages, or copy letters mailed to the caregiver.

Separation

Girl Member Separation

A Girl member separation can occur for several reasons:

- The girl/caregiver is no longer satisfied with the specific troop experience
- The girls schedule no longer works for troop meetings and wants to continue as a Juliette
- The girl/caregiver relocates to a new part of the council
- Many more

It is important to remember that Troop funds are not the individual property of any one girl member. The money a girl earns throughout her experience cannot follow her from one troop or Juliette experience to the next. However, the troop itself can decide to donate a proportionate amount of troop money to the girl members new Girl Scout experience, whether that is a troop or Juliette path.

Recommended Practice

1. The troop holds a meeting to discuss the troop account balance.

2. The troop votes on how they will proceed:
 - a. Are the troop members in favor of determining an amount to distribute to the girl member for her new experience?
 - b. If yes, the troop needs to decide how they will determine the amount they will donate to the Girl Member's new troop.
 - i. The troop should consider:
 1. Amount per girl when dividing the account balance equal amongst all girl members
 2. The length of participation in the troop
 3. The participation in Product Programs
 4. The participation in Additional Money-earning opportunities
 5. Outstanding expense for planned trips or balances owed
 - ii. The troop should remain impartial when considering this decision and not consider the following:
 1. Any outstanding caregiver debt owed to GSCB
 2. Any conflict between Volunteers and Caregiver/Guardian

Important: Any donations for a girl member moving to a Juliette experience must be processed through GSCB.

Troop Disbandment

A Troop disbands when there is no longer troop leadership. If a troop disbands, the troop must make final decisions about the use of the troop's remaining funds once all pending expenses have cleared the account.

Remaining funds can be used in the following ways.

1. Girl member(s) continuing in Girl Scouts
 - a. The troop can decide what funds, if any, they will release to a girl member's new troop.
2. Donations
 - a. A charity based on the troop's area of interest.
 - b. GSCB Council
 - i. Financial Assistance, Camp, Travel, event, etc.
 - c. GSCB Service Unit
 - d. GSCB Troop
3. A final troop activity

Any funds remaining in the troop account at the time of account closer will revert to property of Girl Scouts of the Chesapeake Bay.

- GSCB will restrict those funds for a period of 18 months.
 - If within that 18-month window the troop decides reforms and at least 50% of the girl members return, the funds will be released to the reformed troop.
 - After the period of 18 months the funds will be released and used as directed by the GSCB Board of Directors.

Dividing of Troops

A Troop may divide for one of several reasons:

- Unresolvable conflict between volunteers
- Diversion of interests amongst the troop
- Dividing of a large troop for ease of management
- Program level-based division

If a troop divides into two or more troops, the funds are to be divided between them in proportion to the number of girls in each troop, both existing and new.

- Division of funds should be based on the following formula:
 - $(\# \text{ of Girl Members in Troop post divide} / \# \text{ of Girl Members in Troop pre divide}) \times \text{Account Balance} = \text{amount distributed to each Troop.}$
 - Example: Troop 12345 has 15 Active Girl Members with an account balance of \$5,300. 7 girls will remain with the current Troop and 8 girls will move to the newly formed troop.
 - $(7/15) \times 5,300 = 4,473.33$ remains will current troop
 - $(8/15) \times 5,300 = 2,826.66$ is distributed to the new troop
- The leadership for the existing Troop will write a check to the newly formed check for deposit into their new account.

Troop Mergers

When two or more troops merge, the funds in their troop accounts are to be merged.

Annual Service Unit and Troop Finance Report Submission

Service Unit and Troop financial records should be shared with and made available to Girl Scout members and caregivers throughout the year to ensure there is transparency in the SU/Troop's financial activities and to help members develop their financial literacy skills.

To maintain this transparency, SUs and troops are required to submit an annual Finance Reports summarizing the SU/Troop's income and expenses for the period July 1st - June 30th.

The report is due by July 31st of each membership year. These reports will be reviewed by the council staff to ensure policies are being appropriately followed and funds are being utilized to support Service Units and benefit girls.

Service Unit Managers, Treasurers, and all Troop Coleaders should complete the gsLearn Training "200 GSCB Service Unit / Troop Annual Finance Report Management" for detailed instructions. If there are questions while completing the form volunteers may reach out to membercare@cbgsc.org so we may assist them in compliance.

Financial transparency builds strong and invested troops. Service Unit Finance reports should be shared with all Service Unit members. Troop Finance reports should be shared with all troop members and caregivers. Caregivers can also view the submitted Troop Finance report when they log in to their Volunteer Toolkit.

Failure to comply with Service Unit or Troop Annual Finance Report submission by the deadline will result in the potential for a Service Unit or Troop audit and/or volunteer role suspension.

Service Unit Finance Report Submission Process

Service Unit Managers are required to submit the [GSCB Service Unit Annual Finance Report](#) form to council.

The income and expense categories included in the Service Unit Finance Report are listed below. Using the [GSCB Service Unit Financial Worksheet](#) (downloadable Excel document) assists in accurate record keeping of the required categories. Service Unit Managers may choose another method of detailed record keeping, but these categories should be used in managing the Service Unit's finances.

- Income – GSCB lists the following categories:
 - SU Fall Product Proceeds (Income)
 - SU Cookie Proceeds (Income)
 - SU Activity / Event payments from troop leaders/caregivers (Income)
 - SU Money Earning Activity (Income)
 - Donations Received (Income)
 - Other (Income)
- Expenses - GSCB lists the following categories:
 - Membership Fees paid by SU (Expense)
 - SU Fall Product (Training or Rally) (Expense)
 - SU Cookie (Training or Rally) (Expense)
 - SU Activity / Events payments for event expenses (Expense)
 - SU Meetings / Supplies (Expense)
 - Volunteer Awards/Recognition (Expense)
 - Girl Awards and Recognitions (Expense)
 - Other (Expense)

Troop Finance Report Submission Process

This report is submitted directly to council and is accessible only to troop leaders on the “Finance” tab of the Volunteer Toolkit (find this under [myGS](#) on the Council website). Troops established during the year should report their finances starting in the month organized through June 30th. Caregivers can also view the submitted report when they log in to their Volunteer Toolkit.

The income and expense categories included in the Troop Finance Report are listed below. Using the [GSCB Troop Financial Worksheet](#) (downloadable Excel document) assists in accurate record keeping of the required categories. Troop leaders may choose another method of detailed record keeping, but these categories should be used in managing the troop's finances.

- Income – GSCB lists the following categories:
 - Troop Dues (Income)
 - Fall Product Program (Income)
 - Cookie Program (Income)
 - Activity / Event payments from girls/caregivers (Income)
 - Money Earning Activity (Income)
 - Donations Received (Income)

- Other (Income)
- Expenses - GSCB lists the following categories:
 - Annual Membership Dues (expense)
 - Fall ACH (expense)
 - Cookie ACH 1 (expense)
 - Cookie ACH 2 (expense)
 - Activity / Events payments for event expenses (Expense)
 - Badge/Patch/Girl Awards (Expense)
 - Meeting/Troop Supplies (Expense)
 - Volunteer Awards/Recognition (Exp.)
 - Other (Expense)

Auditing and Fraud Management

Council Audits

Girl Scouts of the Chesapeake Bay reserves the right to audit ALL bank accounts without the consent of the account signers at any time. On an annual basis GSCB will conduct a random audit of Service Unit and Troop Bank Accounts.

Documentation to be requested, but not limited to:

- Copies of all bank statements for the last 12-month period
- Copies of all checks written from the account for the last 12-month period
- Copies of receipts
- Troop Budget, if applicable
- Fall Product Troop Sales Report
- Cookie Program Troop Sales Report
- Additional Money-earning Requests

Misappropriation of Funds

The unfortunate truth is that fraud happens within Girl Scouts. The misappropriation of Girl Scout funds is strictly prohibited. Girl Scouts of the Chesapeake Bay reserves the right to pursue collection efforts, remove a volunteer or member found to be misappropriating funds, and/or prosecute to the fullest extent allowable by law.

If a volunteer is found to have been responsible for the misappropriation of funds, the following could occur:

- Immediate removal as a volunteer
 - Removal is final and binding; a removed volunteer is not eligible for re-appointment.
- Removal from any Girl Scout bank accounts within 10 business days.
- The individual will be required to pay back the amount of misappropriated funds in full.
 - Unpaid funds of any amount will be sent to a collection's agency, and/or will be subject to any and all applicable legal action.
- Repercussion for individuals in the dismissed volunteer's household:
 - Adults

- Prohibited from managing Girl Scout funds (e.g., signer on a Girl Scout accounts, troop cookie manager, holding product program inventory, etc.)
 - Requests for financial assistance may be denied without opportunity for appeal.
- Girls
 - Limits on participation in product programs

Examples of misappropriation of funds

- Using Girl Scout funds for personal use
- Girl Scout funds spent without troop or service unit group approval
- Self-reimbursement
- Theft/embezzlement
- Non-Girl Scout related purchases
- Co-mingling of Girl Scout and personal funds

Misappropriation of funds does not include

- Paying full price for supplies
- Occasional loss of receipts of purchases

Common Red Flags

- Volunteer is not providing regular updates to caregivers/guardians on troops financial state.
- Volunteer is not engaging girls in the decision-making process for how the funds are spent
- The troop participated in Fall Product and Cookie Programs but there are consistently no funds available for programming or activities.
- The troop is unable to pay their Fall Product or Cookie balances owed to GSCB.
- Reimbursement to volunteers or caregivers/guardians takes an exceptionally long time.

We must all work together to ensure that Service Unit and Troop funds belong to the girls and are always treated that way. This includes volunteers at all levels and caregiver/guardians. If an individual suspects that troop funds are being mismanaged, they should notify GSCB through the [GSCB Troop/Group Suspected Misuse of Funds](#) form.

Financial Investigation Process

When a [GSCB Troop/Group Suspected Misuse of Funds](#) form is received by GSCB a financial investigation is promptly started. The Associate Director of Volunteer Support will begin collecting all required documentation and communicating with all parties involved. The goal is always that within 45 days of receiving a report of suspected misuse of funds an investigation and all follow-up is completed.

Documentation to be reviewed:

- Copies of all bank statements for the last 12-month period
- Copies of all checks written from the account for the last 12-month period
- Fall Product Troop Sales Report
- Cookie Program Troop Sales Report

- Additional Money-earning Requests

Investigation statuses:

- Founded
- Founded – Warning
- Unfounded
- Undetermined

Potential repercussions:

- Dismissal as a Volunteer
- Submission to a collection’s agency
- Prosecution to the fullest extent of the law

All actions, decisions, and records relating to the misuse of funds and steps taken are confidential. Information pertaining to the investigation will be reviewed only by relevant GSCB Staff, legal representation, and applicable authorities.

Juliette Funds Management

In accordance with the Internal Revenue Service and Girl Scouts of the USA, Individual Girl Scouts are not allowed to have a bank account or hold cash. Juliette Girl Scouts at GSCB hold funds in the form of Juliette Program Credits.

Earning Juliette Program Credits

Troop Participation Donation

A Girl Member who has separated from a traditional troop experience to pursue a Juliette experience may have received a donation of funds from her previous troop.

When a Girl Scout who participates as a Juliette then switches to a traditional troop, GSCB will gift their funds held by GSCB to the new troop.

Product Programs

Juliette’s earn proceeds through participation in the Fall Product and Cookie Programs. These proceeds are determined each membership year and communicated to all Juliette Caregiver/Guardians prior to the kickoff of the program. At the conclusion of each Product Program the proceeds are deposited into the Juliette’s Juliette Program Credit account.

To participate in these programs, caregivers need to complete a [GSCB Juliette Caregiver Product Program Agreement](#). Once this is on file, you will get access to training. Then, for each program, as the caregiver, you will receive an invitation to create the storefront for your Girl Scout. This establishes you in the program, enables you to share links with customers, and allows council staff to support these members on the back end.

Additional Money-earning Activities

Juliette’s can participate in approved Additional Money-earning Activities that allow them earn funds towards projects, trips, activities, and more. Any money earned through an Additional Money-earning activity must be converted into Juliette Program Credits by submission to GSCB accompanied by the Juliette Program Credit Deposit Form.

Gold Award

Juliette's who are working towards earning their Gold Award through completion of an approved project, often receive donations to support their project. These donations must be converted to Juliette Program Credits by submission to GSCB accompanied by the Juliette Program Credit Deposit Form.

Utilizing Juliette Program Credits

Juliette Program Credits can be used for any Girl Scout of the Chesapeake Bay activity. Juliette's can request to use credits for GSCB specific activities through the [GSCB Program Credit Redemption Request](#).

- Virtual programming
- Outdoor programming
- Summer Resident Camp
- Summer Day Camp
- Girl Scout Memberships

Juliette Program Credits can also be used for other Girl Scout activities for which the Juliette would like to participate. Juliette's can request an expense reimbursement for the cost of other Girl Scout activities through the [GSCB Program Credit Redemption Request](#). Itemized receipts must be included with the request.

- Service Unit programming
- Extended Girl Scout Travel
- Girl Scout Uniform Components
- Badges, Patches, and Pins
- Girl Scout field trips or activities
- Bronze, Silver, and Gold Award projects