



2022 MID-WINTER IG WORKSHOP

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Inspector General



HOW SHOULD WE BE USING OUR DONORS' FUNDS?

At all levels, DAV is required and has a moral and ethical responsibility to the general public to utilize their gifts in a manner consistent with the intention of their donation.



WHAT DOES THAT MEAN?

As an organization, anytime we raise money in the name of DAV, we must ensure that those funds are spent on the DAV programs for which we are known for. If we are raising money for DAV TN vans, those funds must be spent on vans. If we are raising money for local veterans financial aid, those funds must be used for that purpose.



WHAT ARE ACCEPTABLE DAV PROGRAMS TO BE FUNDED BY DAV ENTITIES?

DAV's footprint and legacy as an organization has been built on service to veterans and their families. NSF; CST; CT; DSO/CSO Program; DAV TN; VAVS Programs; HSC Programs; and direct financial assistance to veterans and their families in our communities is what we are known for and are required to support.



WHAT ARE WE PROHIBITED FROM SUPPORTING?

Other NPOs such as Boy Scout and Girl Scout Programs; JROTC Programs; Churches or Religious Organizations; First Responder Organizations; Civic Groups and Political Organizations, etc.



CAN WE FINANCIALLY SUPPORT OTHER VETERAN RELATED CHARITIES?

In general – No. We cannot provide funding to support the general purpose, operations, or profit of another charity. The only exception to this rule is if the other organization is sponsoring a local event which benefits veterans and their families. DAV should be recognized for their support.



WHAT ABOUT SUPPORTING “ACME WREATHS FOR FALLEN VETERANS?”

No. Donations to support a program such as this is contributing directly to their general operating expenses and the profit margin of the group. They are their own NPO and as such can raise funds to support their programs much like every other organization. If our donors wanted their gift to go to “ACME Wreaths for Fallen Veterans,” they would have provided it directly to them. They gave to DAV so we must use those funds for OUR programs.



“BUT THEY ARE AFFILIATED OR PROVIDE A SERVICE TO VETERANS AND THEIR FAMILIES,” YOU SAY...

Anyone can draw a line between any organization or group and a veteran or their family. But we need to be smart and reasonable and do our due diligence to research groups.



REPORTING INCOME AND EXPENSES ON YOUR AFR

All income must be reported in detail. Specific fundraisers; grants; donations and other gifts should be specific. Same for expenditures, but more detail is needed to ensure accountability. Most expense lines of the AFR require a schedule.



COMMON MISTAKES NOTED ON AFRS

- * Not providing recognition letters for donations made by the entity.
- * Not providing schedules.
- * Not providing the correct bank statement (June 30th).
- * Excluding names of authorized bank signers and the bank names and locations.
- * Service Expense Schedule (names of recipients, purpose, and individual amount gifted.)



COMMON MISTAKES NOTED ON AFRS (CONTINUED)

- * Incorrect reporting of membership dues from national (no individual chapter dues.)
- * Not providing legal documents for bequests/trusts (bequest reporting program).
- * Not providing CPA reviews for entities with over \$300K of income.



IN CLOSING

DAV's membership reporting liaisons are available to help you and may have need to reach out to you for clarification on certain issues. Keep in mind, they are doing their jobs and not trying to make life difficult for you. The best way to prevent confusion and issues with your AFR is to keep consistent and up to date records of all income and expenses.

THANK YOU FOR YOUR CONTINUED SUPPORT OF DAV IN YOUR AREA



SEE YOU IN ORLANDO!

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