

Appendix A: Financial Policies for the Principality of Insulae Draconis

The purpose of reports from any group is to inform the Principality of the health of its groups and aid in decisions when letting groups hold Principality events.

These Financial Policies exist as an Addendum to the Kingdom Financial Policy and except as noted above, shall be followed by each branch and recognized incipient branch of the Principality of Insulae Draconis as if incorporated within the Laws of the Kingdom of Drachenwald.

1. Structure of the Council of the Purse

- A. The Principality Council of the Purse shall consist of the Prince, Princess, Principality Seneschal, and Principality Chancellor of the Exchequer. The Prince and Princess shall have a single vote on council items.
- B. All decisions will be made by majority vote.
- C. All other branch committees will consist of at least the branch Seneschal, the branch Exchequer and one other branch officer.
- D. If an emergency decision or approval is required, the meeting shall be conducted by phone consultation or email consultation co-ordinated by the exchequer and a decision will be made within 3 days.
- E. The term of office serving as part of the Council of the Purse shall be the same as the term for which the post is held qualifying the person for the office (i.e. for the duration of warrant as Seneschal or Exchequer, for the duration of tenure for Royalty)

2. Revisions of Financial Policy

- A. These Policies must be revised whenever appropriate due to changes in mundane law, Corpora, or Society or Kingdom Financial Policy
- B. The Principality Exchequer must review this policy annually and the review must be forwarded to the Kingdom Exchequer, with a copy going to the members of the Council of the Purse.
- C. All proposed changes to the financial policy will be submitted in writing to the Principality Council of the Purse for review. Any member of the Insulae Draconis populace may submit proposed changes.
- D. Following approval by the Council of the Purse, the revised financial policy will be sent to the Kingdom Chancellor of the Exchequer for approval. Changes in financial policy will not become effective until approved by the kingdom exchequer.
- E. The revisions to the Financial Policy shall be printed in Baelfyr and uploaded to the Principality's website, following approval.

3. Becoming a Branch Exchequer

- A. In order to become a branch Exchequer, either the branch seneschal or the outgoing exchequer should assist the new exchequer in completing a request for Warrant letter or email, which will be sent to the Principality Chancellor of the Exchequer. Along with the Request for Warrant letter, the following items must be included:
 - i) Proof of identification, which includes a photo. This can be can be a copy of a driver's license, military ID card, passport or other legal identification.
 - ii) Proof of SCA membership, which can be a copy of their membership card, newsletter mailing label, registry printout, or a letter from the Society stating membership. Note that scans sent by email are acceptable.
 - iii) All exchequers must be 18 years or older.
 - iv) Upon approval, the Principality Chancellor of the Exchequer will provide the relevant information to the Kingdom Chancellor of the Exchequer and request that a warrant be issued.
 - v) The Term of Office shall be two years long, and no Exchequer should serve more than two consecutive terms.

4. Branch Exchequer Responsibilities.

- A. Become familiar with the Laws and Policies governing the use and controls of branch assets as outlined in the Chancellor of the Exchequer Branch Officer's Reference Handbook, Drachenwald Financial Policy and Insulae Draconis Financial Policy.
- B. Become familiar with your country's laws regulating clubs and societies and not for profit organisations.
- C. Read the Kingdom Exchequer's letter in the Dragon's Tale and the Principality Exchequer's letter in the Baelfyr, where any proposed changes in policy or procedure will be noted first.
- D. Contact the Principality or Kingdom Exchequer for aid and guidance when needed.
- E. Report as required and shall use the standard quarterly report as provided by Kingdom or Principality Exchequers.
- F. Set Budgets as required.

- G. Keep records as required and administer the branch bank accounts.
- H. Branch exchequers shall ensure the branch seneschal gets a copy of the quarterly Bank statement.

5. Reports

- A. All exchequer reports are required regardless of the type of funds or the bank the funds are held in. The group's Exchequer and Seneschal shall sign the reports at least once a year (Doomsday report). A copy of the group's bank statement shall be provided with the report.
- B. Event finance, quarterly, and doomsday report forms are available, from the Kingdom Exchequer, Principality Exchequer, or on the web.
- C. Quarterly reports are due to the Principality Exchequer by
 - i) First Quarter (1 January – 31 March) 15 April
 - ii) Second Quarter (1 April – 30 June) 15 July
 - iii) Third Quarter (1 July – 30 September) 15 October
 - iv) Fourth Quarter (1 October – 31 December) 15 January next year. This report is also the year-end "Doomsday" Report.
- D. The only times a "negative report" will be submitted are
 - i) The group reports to another entity (such as college groups, since a college group is normally registered on campus and their money is held in a university account, and they report to their university)
 - ii) The group has held no money during the year and had no activities (events, workshops, etc) that generated income or expenses during the year. Simply put, they have nothing to report.
- E. The branch exchequer will review the completed event financial report for every event held by their branch and ensure a preliminary report showing expected loss or gain is submitted to the Principality Chancellor of the Exchequer within 30 days of the completion of the event (because these reports must be sent to kingdom). The final event report is due 60 days following the event. The event Finance Report is the responsibility of the event autocrat and will be reviewed by the branch exchequer. Event Finance report formats are available from the Kingdom Exchequer, Principality Exchequer or on the web.
- F. The Principality Exchequer will send reports to the Kingdom Chancellor of the Exchequer on a quarterly basis as published in the Kingdom Financial Policy. Copies of the reports will be sent to Council of the Purse. A summary of the Doomsday Report of the Principality will be sent to the Chronicler for publication in the Baelfyr.

6. Financial accounts and accounting.

- A. With the exception of the Herald and Chroniclers funds, all funds of the principality of Insulae Draconis shall be kept in a central principality account, the books of which will be maintained by the principality Exchequer.
- B. All group exchequers shall use single entry bookkeeping for proper accounting of group accounts. A template for this is available from the Principality website.
- C. The Principality shall receive 50% of the profits from the four principality events as defined by Insulae Draconis law. The profits from principality events will be transferred to the Principality at the same time as the event finance report is filed with the Principality. The Principality's share of the profits shall be split equally between the principality travel fund and the principality general fund.
- D. If a local branch make a loss when running one of the four principality events than Insulae Draconis can refund the amount.
 - i) Loss must be caused by circumstances outside of the Branch control and not caused by bad planning.
 - ii) The local branch can not absorb the loss themselves.
 - iii) The refund must be approved by the Council of the Purse.
- E. All event bids for the four principality events are to be send to the Council of the Purse.

7. Funds in banks.

- A. All funds held by the branches or Principality Offices will be held in an account in the name of the 'SCA, Inc -<name of branch or office>' or 'SCA-<name of branch>', or '<name of branch>-SCA, Inc.'. The account will require two signatures to withdraw money. The signatories will not live in the same domicile.
- B. Exchequers will disburse funds only with the agreement of the financial committee for that branch. The decisions on expenditures of financial committees will be determined by a simple majority vote of the committee members.
- C. Reimbursements can only be made when the members of the branch financial committee agreed upon the amount before it was spent.
- D. Receipts or written justification signed by all members of the financial committee are required for reimbursements.

E. Emergency expenditures will be handled on a case-by-case basis with the branch financial committee.

8. Budgeting

- A. At the beginning of each year, the branch financial committee should determine a sum from which normal office expenses like postage and copying are taken. The Principality budget needs to include items like transportation, repair, and/or refurbishment of Principality regalia; and costs for awards, such as medallions, parchment and other scroll supplies, etc. Once preliminary amounts have been established by the financial committee, the money can be disbursed without first contacting the financial committee for re-approval.
- i) These expenses shall be kept to a minimum.
 - ii) Receipts are required for reimbursement.
- B. The Council of the Purse must approve expenditures exceeding the limits of the budget. Any funds remaining at the end of the year will be directed back to the General Fund.

9. Principality Travel Fund

- A. The Principality travel fund is for the express purpose of offsetting expenses for the Prince and Princess. It is not for the travel of any retainers, household members, or associates. The travel fund will support the Prince and Princess with a maximum of £500 (pounds sterling) each reign for travel expenses within the Principality
- B. Reimbursable travel expenses are deemed to be airfare, fuel expenses, train fare, and ferry costs for events within the Principality.
- C. Only 50% of the total travel expenses for a given event will be reimbursed, up to the maximum for the reign. Expenses will only be reimbursed upon presentation of original receipts.
- D. All claims for allowable travel expenses must be received by the Principality Exchequer within three months of the Prince and Princess stepping down.
- E. Contributions to the travel fund for a specific reign can be made to increase the £300 limit. In this case, the maximum allowance will be raised by 75% of donations for the specific Coronet above £300 (raised during their reign). In order for this additional allowance to activate, contributions must be marked for the Prince and Princess by name. Unmarked contributions are assumed to be for the general Travel Fund. Any unused portions of money collected will be returned to the general travel fund for future reigns.
- F. *Example: Couple A is well loved by the people and so many efforts are made to raise money for the travel fund. At the first event, £300 is raised and contributed (but not specifically marked). No problem, £300 has been raised. At the next event, another £200 is raised. If this money is intended to increase the £300 limit, it must be marked "for the travel fund of Couple A", in which case Couple A can use 75% (or £150) of this money for a total reign reimbursement of £450. If this money (the £200) is not marked for Couple A, then Couple A is limited to £300 reimbursement for their reign.*
- G. The Prince and Princess are expected to make every effort to perpetuate the travel fund through contributions and/or fundraisers.

10. Regalia

- A. Regalia are loaned to the current Prince and Princess for the duration of each Reign.
- B. It is the duty of the current Prince and Princess to ensure that they have sufficient household insurance for valuable items of regalia (e.g. crowns)
- C. Any persons maintaining pieces of regalia or other Principality property shall be responsible for the items in their possession. In the event of damage to or loss of the items, the person responsible for the damage or loss must reimburse the Principality at replacement cost, or provide a replacement of like kind and quality.
- D. This reimbursement/replacement requirement does not apply to damage due to normal usage.

11. Controlling Cash

- A. No funds may be disbursed from gate receipts.
- B. Gate records must be kept at events.
- C. Gate receipts shall be deposited into an SCA account within 14 days of the end of the event.
- D. Petty cash is not allowed. The advancement of cash for purchases is allowed, if agreed by the Shire Finance committee, and if the remaining cash, plus receipts are taken back by the exchequer when the specific purchase for which the money was released has been made.
- E. Cash advances for this should be made by cheque made out to the individual making the purchase (not taken from gate receipts or by using a cheque made out to "cash").