Purpose

Section 1 This document describes the financial controls policy for the organization known as the <Club Name> which will be hereafter referred to as the Club.

Section 2 This document provides details not covered in the bylaws about financial operation and management of the Club.

Section 3 This document must always be kept consistent with the Bylaws of the Club. The Bylaws of the Club take precedence over this document in case of a conflict.

Section 4 The Board shall have sixty (60) days to bring the Club’s Bylaws and Financial Controls into alignment from the time the discrepancy is acknowledged by the Board.

Section 5 These financial policies may be amended by the Board using the same process established for amending the Club’s bylaws.

Bank Accounts

Section 1 The Club shall maintain only one checking account for paying club expenses.

Section 2 A savings account may be established for capital purchases and must be approved by the board prior to its establishment.

Section 3 The Board may approve the use of safe, short-term interest-bearing financial instruments for the purpose of achieving long-term project goals. These may not include stock purchases or other risky investments. The total amount allocated to these interest-bearing accounts shall not exceed 10% of the total expenses expected for the current fiscal year.

Section 4 All bank accounts must be held by FDIC insured institutions.
Policy 103  Operational Expenses

Section 1  All club expenses shall be paid by check through the Club’s checking account.

Section 2  Checks shall only be written for the documented amount on the receipt or invoice.

Section 3  Cash may be withdrawn via check for a maximum total of $100.- only with prior approval from the board. The cash must only be used for making change and must be re-deposited with the other received funds.

Section 4  All checks will be drafted by the club treasurer. In the event, the treasurer is out-of-town, the president may, in an emergency, draft checks for the Club.

Section 5  All checks must be signed by two approved signers from the Club.

Section 6  The maximum number of check signers in the Club at any time shall be four (4). It is recommended that the club have at least three (3) signers so that two signers are always available when needed.

Section 7  The drafter and signer of a check may never be the same individual.

Section 8  A recipient and signer of a check may never the same individual. Likewise, a signer may never sign a check to be received by a direct family member.

Section 9  All non-budgeted expenses must be approved by the board.

Section 10  Budgeted expenses are pre-approved and do not require explicit board approval provided they do not exceed the total amount for that budget item.

Section 11  All expense reimbursements shall be approved by the Board and must be accompanied by transaction receipts on the club approved reimbursement form.

Section 12  Check by mail may only be used with explicit approval from the Board and only for the amount of the invoice. This is the preferred method when NET 30 terms with the supplier are not available to the Club.

Section 13  The Board will review and approve the previous month’s Account Payable statement at its monthly board meetings.

Policy 104  Payroll Expenses

Section 1  Persons paid to carry out duties on behalf of the Club shall be treated as employees. This does not apply to referees who make less than $600 and are viewed to be independent contractors.
Policy 105 Deposits

Section 1  All funds received shall be recorded on club deposit slips and deposited by the Club’s Treasurer.

Section 2  All funds shall be counted, recorded and verified by at least two board members. Verifying board member names must be recorded.

Section 3  All funds shall be held in secure lock boxes or other secure container until they can be deposited by the Club Treasurer.

Section 4  All funds shall be deposited within five (5) business days of receiving them either in person or from the mailbox.

Section 5  Deposit slips for received funds must be kept with Club financial records.

Section 6  The Club shall provide an invoice or receipt to any customer who requests one. These receipts must also be kept with Club records.

Section 7  The Club deposit policies apply to all funds received by mail or in person.

Section 8  Funds received by Electronic Deposit shall be categorized as such and reviewed and approved by the Board at its monthly meeting. Examples of this might be direct payment of registration through online website or Pay Pal account.

Policy 106 Check Cashing Policies

Section 1  The Club shall not deposit checks which have been held for more than ninety (90) days without written consent from the check drafter. The general rule for timely deposit is described in Policy 105Section 2 of this document.

Section 2  The Club shall not request photo ID – most notably a Driver’s License – for cashing checks unless this is requested from all customers for a particular event, e.g. Fall Registration. Other forms of ID shall never be requested.

Section 3  The Club shall not allow customers to post-date checks.

Section 4  In the event a deposited check should bounce, the Club Treasurer will contact the debtor by phone during the hours of 9:00am to 5:00pm within five (5) business days of receiving notice from the Club’s bank. This contact shall be made in a non-threatening, informative manner.

Section 5  In the event the funds are not received from a debtor, the Board may approve secondary measures to recover lost funds including writing a collection letter, contacting the bank, going to small claims court or hiring a collection agency.

Section 6  The Club shall follow the latest guidelines from the State of Oregon for the collection of monies owed.
Policy 107  Fundraiser and Special Event Policies

Section 1  The Board shall appoint a member to Chair each and every event or fundraiser as its own choosing.

Section 2  The Chair for a particular special event or fundraiser shall be responsible for preparing an initial budget to be approved by the Board.

Section 3  The Chair shall present a final accounting of all funds received and fees paid to the Club Treasurer within 30 days of the close of the fundraising event.

Section 4  A fundraiser shall never just report the profit as Club income or pay any of its expenses from the event revenue received. All expenses shall be paid out of the Club checking account as dictated in Policy 103Section 1.

Section 5  All organizers and volunteers shall abide by money handling procedures as defined in Policy 105.

Section 6  The board shall appoint an event chair and organizers who shall be responsible for managing the event.

Policy 108  Reports

Section 1  The Treasurer shall provide the board budget versus actual income and balance sheet statements for the previous month and the current fiscal year.

Section 2  The Treasurer shall provide the Board with monthly bank reconciliation statements for review and approve at its monthly board meeting.

Section 3  The Treasurer shall provide the Board an itemized Accounts Payable and Income statement for the board to review at its months board meeting.

Section 4  The Treasurer shall provide the Board any financial report it requests. The Treasurer shall have until the next board meeting to prepare the requested report.

Section 5  The Club shall provide its parent organization – Oregon Youth Soccer Association (OYSA) – with any financial report or information it requests. The Treasurer will have 30 days to provide this information to the Board for it to forward to OYSA.
Policy 109  Annual Budgeting and Timeline

Section 1  The Board shall prepare and approve an annual budget prior to the start of its fiscal year as defined in the Club bylaws. This budget shall be used as a guide to predict income and control expenses.

Section 2  A separate budget shall be established and maintained for each independent program as determined by the Board. These shall be known as P/L entities. This shall be done to examine profitability of each program as well as to help set fees appropriately.

Section 3  Budgets for each P/L entity shall include a 5% Contingency line item for all expenses.

Section 4  The board shall periodically review its programs and projects publishing both short-term and long-term goals for the Club which will be used to guide the annual budget process. An open comment session shall be held at the Club’s AGM.

Section 5  At its meeting four (4) months prior to the start of the next fiscal year, the board shall approve the programs targeted for funding in the next annual budget cycle.

Section 6  The Treasurer shall present the initial draft of budget three (3) months prior to the start of the next fiscal year.

Section 7  The Treasurer shall modify the budget as directed by the Board and present these modified drafts to the Board at its request.

Section 8  The Treasurer shall present the final budget to the Board for its approval five weeks prior to the start of the upcoming fiscal year. This will give the board at least 10 days to review the budget prior final meeting in the current fiscal year.

Section 9  The budget shall be created using the approved software for the Club.

Policy 110  Bonding

Section 1  The Club’s officers and check signers shall be covered by a fidelity bond as a part of the overall risk management plan.

Section 2  The amount of the bond shall be determined by averaging the highest monthly revenue for the past three (3) years.

Section 3  The bond shall be renewed prior the start of each fiscal year.
Policy 111  Fiscal Oversight

Section 1  The Club shall undergo an independent financial review once every two years. It is recommended that this review be performed by a Certified Public Accountant.

Section 2  The Club finances shall be maintained using accounting software purchased for the Club.

Section 3  The Board shall approve the software to be used by the Club to manage its finances. The Club Treasurer may recommend changes to the accounting software used.

Section 4  The Board shall require the Treasurer and check signers to review cancelled checks at least once per year for correct signatures and recognized vendors and endorsements.

Section 5  The Treasurer shall back up the Club Financial records at least once per month.

Section 6  All general, payroll and other checks will be kept under lock and key. This includes both signed and unsigned Club checks. The keys are to be kept in the possession of the Club Treasurer.

Policy 112  Tax Reporting – IRS and State

Section 1  The Club’s fiscal year shall be from [specify, e.g., April 1 – March 31].

Section 2  The Club’s Treasurer shall be responsible for filing all appropriate IRS forms with the required timeframe.

Section 3  To maintain the Club’s 501(c)(3) status, the Treasurer shall file the required IRS tax form by the 15th day of the 5th month after the end of the Club’s fiscal year. For example, August 15th is the filing deadline for the fiscal year the fiscal year ending March 31st.

Section 4  The Club’s Treasurer shall file the annual CT-12 report with the Oregon Department of Justice when the IRS tax form is filed.
These Financial Policies were ratified by the general membership of <Club Name> on the N<sup>th</sup> Day of Month in the Year 20xx and will go into effect immediately.

{Name of President}  
President  

{Name of Treasurer}  
Treasurer  

{Name of Secretary}  
Secretary