



**FLORIDA YOUTH SOCCER ASSOCIATION,
INCORPORATED**

FINANCIAL POLICIES AND PROCEDURES MANUAL

MARCH 2001

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1.0 INTRODUCTION

1.1 Financial policies and procedures are guided by an accounting concept called internal control. Internal control is defined by the American Institute of Certified Public Accountants as a process “effected by an entity’s board of directors, management and other personnel designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- a. Reliability of financial reporting**
- b. Effectiveness and efficiency of operations, and**
- c. Compliance with applicable laws and regulations.**

1.2 The policies and procedures are the control activities that help ensure that the management carries out their financial duties under the least amount of risk.

1.3 The following documents were utilized to identify the requirements for financial policies and procedures:

- a. Nonprofit Controllers Manual, by Craig R. Stevens and Horton R. Sorkin, published by Warren, Gorham & Lamont.**
- b. IRS Publication 557, Tax-Exempt Status for your Organization.**
- c. IRS Publication 598, Unrelated Business Income Tax**

2.0 OBJECTIVE

2.1 The objective of this procedures manual is to create a practical, but comprehensive approach to internal controls for FYSA by developing general financial policies that can be easily modified as the organization grows.

2.2 It is the purpose of these financial policies to provide consistent application of conduct and proper internal controls to safeguard the assets of the Association while performing the duties as described in the FYSA Bylaws and Rules. To this end, all funds raised and dispersed in the name of the Association must be managed in such a way that the tax-exempt status of the Association will not be endangered.

3.0 DEFINITIONS

3.1 The following FYSA terms and definitions are presented to prevent revising policies in the several locations where the term is used.

- a. “Association” means Florida Youth Soccer Association (FYSA).**
- b. “Department” means an Association officer, program, committee, or office.**
- c. “Event” means Annual General Membership meeting, Executive Committee meeting, Board of Directors meeting, or FYSA sponsored tournament. It is not a committee, office, or officer of the Association.**
- d. “Line Item” means a specific line with corresponding amount in the Association budget. Normally there are several line items within a Department area of the Association budget.**
- e. “Program” means the operations of a specific officer, committee, or office of the Association. It normally is an area that contains at least several line items within the Association budget.**

- f. "Affiliate" means a club recognized as an official member of the Association.
- g. "Officer" means any person specified as an officer in the FYSA Bylaws or Constitution.
- h. "Fiscal Year" is recognized as being from September 1st through August 31st of each calendar year.

4.0 FYSA MANAGEMENT & CONTROL

4.1 The President, Director of Programs and Services, and the Treasurer shall be in regular contact concerning the financial performance of the Association.

4.1.1 General Requirement of all State Accounts. All income of the Association, shall be deposited into and all expenses shall be paid by checks drawn against the following accounts:

- a. Types of Accounts. The Association shall have the following accounts, as approved by the Executive Committee.
 - (1) the operating account or checking account is exempted from being interest bearing;
 - (2) money market, savings account, etc., which shall be interest bearing;
 - (3) investment accounts as recommended by the Investment Committee; and
 - (4) office account or "petty cash" for the State Office which may not contain more than \$200. The Association's Director of Programs and Services shall supervise and maintain this account.
- b. Location of Accounts. The State Office shall maintain the state accounts of the Association. Operating accounts must be placed in institutions insured by FDIC or by another federally insured institution.
- c. Name of Accounts. All accounts of the Association, including but not limited to, Association and Region bank accounts, shall be in the Association's name.
- d. Signatures. The four Administrative Officer's will be signatories on all Association accounts above the Region level. For Region accounts, the Region Vice President, either the President or Treasurer, and a local region representative shall be signatories.

5.0 BUDGETING AND REGULAR FINANCIAL REPORTING

5.1 BUDGET

5.1.1 Each year the FYSA Budget Committee and the FYSA Treasurer will meet at least four months before year-end to prepare the next years operating budget. Utilizing the last two years financial statement and budgets; and input from the various committee chairpersons, board members and office staff on the current directions of programs and sources of funds; the operating and capital budget should be prepared. These budgets will be submitted to the Executive Officers and Board of Directors for approval. The budget will be submitted to the Affiliates at the Annual General Membership meeting for approval.

5.2 FINANCIAL

5.2.1 The staff financial assistant will prepare financial statements as soon as possible after the end of each month comparing actual revenues and expenses with budgeted revenues and expenses. The Treasurer is responsible for ensuring this happens. The following reports and statement will be provided to the Treasurer on or about the 10th working day of each month.

- a. Balance Sheet
- b. Checking Account Balance (including sweep account)

- c. Copy of ledger (deposits and withdrawals)
- d. Updated approved budget (Planned versus Actual)
- e. Change of Status (Player and Team)
- f. Affiliate open invoices
- f. Credit card statement
- g. Petty cash account usage/balance

5.2.2 The Treasurer will provide these reports and statements to the budget committee for review. After review by the budget committee, the reports and statements will be forwarded to the Executive Committee with comments. The Executive Committee should review these statements and corrective action taken as needed.

5.3 OPERATIONS

5.3.1 An important control tool of FYSA is the budgeting of both operations (operating budget) and fixed asset purchases (capital budget). Historical data will be maintained on both revenues and expenditures and input from the Executive Committee, Board of Directors, Committee Chairpersons, and the State Office staff to determine direction of programs and sources of funds. The budget will be used as a planning tool. Actual performance of revenue and expenses will be tracked against budgeted performance on a regular basis. The Executive Committee will review any variances and investigate them for any needed corrective action and notify the Board of Directors of any such action.

5.4 BUDGET AMENDMENTS

5.4.1 All proposed budget amendments are to be submitted in writing 30 days prior to a scheduled Executive or Board of Directors meeting to the Treasurer. The Treasurer will present the proposal to the Budget Committee for review and comment. After Budget Committee consideration, the Treasurer will present the proposed amendment along with the Budget Committee recommendation to the Executive Committee. After consideration by the Executive Committee, the Treasurer will then present the proposal to the Board of Directors along with the recommendation of the Budget and Executive Committees. (See Figure 1, Request For Budget Amendment Form)

5.5 SAFEGUARDING OF ASSETS AND PHYSICAL CONTROLS

5.5.1 The Director Operations, Programs and Services has responsibility for the physical security of assets. The physical security of assets is a basic component of internal control and therefore a basic component of accounting procedures and policies.

- a. Valuable assets will be kept in a locked safe or a bank deposit box.
- b. Bank deposits shall be made frequently (2 times weekly as a minimum).
- c. Blank check stock shall be kept in a secure locked location when not being used.
- d. Assets and potential liabilities should be adequately insured (6 months minimum) against to avoid losses.
- e. Fixed assets will be inventoried annually and given an identifying mark.
- f. There will be adequate computer security measures.

5.5.2 The Director Operations, Programs and Services will perform a physical audit of all property at least yearly. The Property Accountability Form will be utilized to account for and track physical assets. (See Figure 2, Property Accountability Form)

5.6 SEGREGATION OF DUTIES

5.6.1 The Treasurer is responsible for the segregation of duties. Duties shall be segregated so that no one person has the ability to initiate, execute, record, and reconcile a transaction from beginning to end.

INSERT
FIGURE 1
REQUEST FOR BUDGET AMENDMENT

INSERT

FIGURE 2

PROPERTY ACCOUNTABILITY

5.7 INVESTMENT POLICIES AND PROCEDURES

5.7.1 The four (4) Administrative Officers consisting of the President, VP Coach and Player Development, Secretary, and Treasurer have the final responsibility for investment. FYSA funds shall be invested in a short-term portfolio. The short-term portfolio may have an allocation up to 100 percent (100%). Short-term is considered to be 90 – 180 days. Funds shall be invested with an expectation of a reasonable return dependent on the current market conditions. Investments

will be in a Certificate of Deposit (CD), Money Market Funds, or Commercial Paper, etc. Investments will be made to gain reasonable return without risk or loss of the investment. Funds will never be considered for investment in any risk funds or risk securities.

a. Investment Accounts:

(1) Consideration for the investment of Association funds shall be as follows (listed in the order of priority):

- (a) security; then,**
- (b) liquidity; then,**
- (c) rate of return.**

b. Investment Committee:

(1) The Investment Committee shall be chaired by the President. The Treasurer shall also be a member. The President may appoint up to two additional individuals who will be consulted as needed in the decision to invest funds of the Association.

(2) The Investment Committee shall decide the nature and amount of investment for the Association, with the advice of the Budget Committee.

6.0 DOCUMENTED ACCOUNTING PROCEDURES AND CONTROL

6.1 STATE ACCOUNTS

6.1.1 The President, Secretary, VP Coach and Player Development, and the Treasurer by corporate resolution have been given the authority to open bank accounts and will be the authorized signatories.

6.1.2 All checks regardless of amount require two signatures of any of the four preceding signatories.

6.1.3 Payroll checks may contain imprinted signatures if a third party, independent of the Association and its employees administers the payroll.

6.1.4 The Director of Programs and Services is authorized to initiate purchase transaction for supplies and services for no greater than \$500. For any amount larger than \$500, the authorization must be in writing and requires the signature of two of the signatories. If the budgeted amounts are exceeded, a request for a budget amendment must be presented and be approved by the Budget Committee.

6.2 REGION ACCOUNTS

6.2.1 The regions may maintain whatever independent bank accounts they may require in order to carry out their obligations to their regional Affiliates. All funds generated for Regional programs in a region through its efforts shall be used at the discretion of that Region. Such accounts may be opened only with the prior written notification to the FYSA President and Treasurer, and approval of the

Executive Committee. Either the President or the Treasurer will be a signatory on all regional accounts. New accounts should only be opened under the following circumstances:

- a. The person responsible for such account changes or moves;
- b. A new event is held which requires a separate set of records for increased control of income expenses related to the new event; or

6.2.2 Region Bank Accounts. The total of each individual Region bank account may only accrue a maximum total of \$10,000 of non-committed funds by the end of the FYSA fiscal year. Accrued, accumulated, or non-committed over and above the amount of \$10,000 will be moved to the FYSA general fund and designated for the FYSA Developmental Recreational Programs.

6.2.3 Region Reporting. The Region Vice President is responsible for the accounts, and for providing the required reports monthly to the State Office.

- a. Monthly Bank Statements and Canceled Checks. The bank statements and canceled checks, if available, of each region account shall be sent by the financial institution directly to the individual designated by the Region Vice President with a copy of the statement and the checks, if available, to the State Office. Within three (3) days of receipt from the financial institution, the bank statements, canceled checks, if available, copies of the check register and the reconciliation report from QUICK BOOKS or any other approved program shall be sent to the State Office by the individual designated by the respective Region Vice President.
- b. Annually by September 30 of each year, all receipts, invoices, canceled checks if available, statements, deposit slips and any other documents pertaining to the Region Account shall be provided to the State Office for permanent storage.

6.2.4 Affiliate Members. Local Associations and other Affiliate members may maintain whatever independent bank accounts they may require in order to carry out their obligations to their own membership.

6.2.5 Individuals Compensated. Information to be provided to the Association. All individuals providing a service which is compensated by the Association, including its regions, must provide name, address, and Social Security Number or EIN to the FYSA State Office for the purpose of the Association filing IRS Form 1099.

6.2.6 The establishment and documentation of these responsibilities and procedures are necessary steps for effective internal environment.

7.0 CONTROLS OVER SPECIFIC ACCOUNTS AND TRANSACTIONS

7.1 Cash and Cash Equivalents

7.1.2 Cash is the lifeblood of the organization, and, unfortunately, can too often be easily diverted through theft, embezzlement, and misuse. Therefore controls over cash are among the most rigidly enforced. The following are basic cash control objectives and are designed to ensure that:

- a. All cash intended for the organization is received and deposited in a timely manner in the FYSA bank account.
- b. All cash disbursements are for authorized transactions and for the correct amounts.
- c. All adjustments to cash accounts are authorized by the appropriate personnel.
- d. Cash held by third parties such as banks and brokerages are considered safe and liquid.
- e. All cash accounts are reconciled to the general ledger in a timely manner.
- f. All cash related transactions are recorded in the correct account, in the correct amount,

and in the proper accounting period.

- g. Cash not required for operations is invested in a timely fashion.
- h. Cash is managed properly, including the receipt of payment as soon as it is practical after the performance of services and cash disbursements are deferred to the latest acceptable time without affecting vendor relationships.

7.1.3 Although the exact controls that are implemented by FYSA will vary based on the size of the organization and the availability of personnel, some common control procedures over cash and cash equivalents will include the following:

7.1.4 Implementing some segregation of duties over cash transactions. Ideally, different people will be involved in the initial receipt of cash, recording cash receipt transactions, making the cash deposit, authorizing the disbursement of cash, recording cash disbursement transactions, and reconciling the cash accounts. It is recognized that this is not always possible, therefore, at a minimum, someone who is not involved in the accounting function such as the Director of Programs and Services or Treasurer will review the unopened bank statements including returned canceled checks and note any unusual items. (See Figure 3, Internal Control Worksheet)

7.2 Cash Receipts

7.2.1 Controls over cash receipts are necessary because they furnish a level of assurance that all accounts received are deposited in the FYSA checking account. The following steps are suggested to control cash receipts:

- a. Incoming mail should be opened and a listing of cash and/or checks received should be made under supervision of a responsible official. This listing should be compared to the actual deposit made to ensure the completeness of the deposit.
- b. Checks received by the organization should be immediately restrictively endorsed.
- c. Where practical, a bank lockbox should be used for receiving and depositing cash payments.
- d. Use prenumbered tickets or logs when processing cash receipts and require each person processing a ticket or log to initial it.
- e. Deposit all cash receipts intact daily, if possible, and adequately safeguard undeposited receipts.
- f. For on-site cash collections such as on-site registrations at the Annual General Membership (AGM) meeting, it is important that cash collections are opened and counted in the presence of two people who sign off as having approved the count. For certain cash collections such as the AGM, it is also helpful to implement a form of reconciliation control whereby an independent count of the number of cash registration is made enabling a projection to be developed of the expected cash to be received. This is then compared to the actual cash deposited to highlight any material variance.
- g. For sales type activities, register tapes, ticket receipts should be compared to deposits made on a regular basis.
- h. Prompt investigation should be made of checks returned for insufficient funds. Checks returned to FYSA marked as Non-Sufficient Funds (NSF) will be charged a \$30.00 administrative fee for each return.

7.3 Cash Disbursements

7.3.1 Effective controls over cash disbursements are necessary in order to ensure that the cash expenditures of FYSA are made only for authorized purchases from reputable vendors. The Director of Programs and Services and the four (4) Administrative Officers will identify the responsible person(s) for the following controls employed and attach that information to this policy.

- a. Physical access to cash (such as petty cash) and unissued checks are restricted to authorized personnel.

INSERT
FIGURE 3
INTERNAL CONTROL WORKSHEET

- b. Checks and bank transfers will be prepared only by authorized and documented transactions by authorized personnel.
- c. A responsible individual indicating proper authorization will initial all supporting documentation for disbursements such as invoices and check receipts.
- d. The standard policy for FYSA is to require two signatures on all checks. The signatory will review the supporting documentation to ensure that each payment item has been reviewed and approved. Packing slips or bills of lading should be reviewed to see that goods billed were actually received.
- e. Disbursements and bank transfers should be prepared by someone other than the person who initiated the transaction.
- f. Mechanical check signers or rubber stamps bearing a facsimile signature can be used. Such devices or stamps will be maintained by the signatory and not left in the possession of a second party.
- g. Payment should only be made from an original invoice rather than from a statement or invoice photocopy.
- h. The supporting documents (vouchers, invoices, and so forth) will be stamped, "posted," or "paid" to prevent subsequent reuse.
- i. Checks will be prenumbered and issued in numerical sequence. Voided checks will be retained so that the numerical sequence can be verified.
- j. The use of postdated checks, checks payable to bearer or cash, and pre-signed blank checks are prohibited.

7.4 Credit Cards

7.41 Credit cards have become a way of life and FYSA is no exception. The volunteer can not be expected to constantly pay funds from their private sources in order to maintain and perform the everyday requirements or functions of the organization. Credit cards will be approved and made available to members of the Executive Committee and to the state office staff as deemed necessary. The Charged Expenses form will be completed identifying all charges using the FYSA credit card. This form will be submitted to the state office within 10 calendar days of the accrued charges. (See Figure 4, Charged Expenses Form)

- a. All billing charges will be directly into the State Office.
- b. All charges will be paid monthly by FYSA. This will be done to prevent the accumulation of credit card interest charges.
- c. The Executive Committee will determine who shall receive credit cards and the credit amount available to each individual.
- d. Store purchase receipts must be submitted for proper accountability of charges and verification of charges made. Non-compliance with these requirements will subject the individual to credit card cancellation.
- e. The credit card will be issued on the condition that it will only be used for reasonable and necessary FYSA expenditures and never for personal use.
- f. The credit card is authorized to reduce the need to provide cash advances for duties or travel necessary to be carried out in the performance of FYSA duties.

7.5 Petty Cash

7.5.1 The best and most basic control of petty cash funds is that they be kept to the minimum amount practical. Petty cash should be held in an "imprest" fund. An imprest fund is one in which vouchers, invoices and cash always add up to the same amount. In addition, all petty cash disbursements will be documented through receipt of vouchers or invoices and authorization from management should be obtained for the replenishment of the fund. The FYSA "petty cash" fund for the state office shall not contain more than \$200. The Director of Programs and Services shall supervise and maintain this account. A report showing the usage and activities shall be provided to the Treasurer on or about the 10th working day of each month.

INSERT
FIGURE 4
CHARGED EXPENSES FORM

7.6 Other Cash Controls

7.6.1 Cash controls will also include the following:

- a. Individuals handling cash should be included in fidelity bond coverage.**
- b. Only banks with a solid financial position and safety rating should be selected as a depository institution.**
- c. The number of bank accounts will be limited to a reasonable number. Unused accounts will be promptly closed.**
- d. All bank accounts will be reconciled as soon as possible after receiving the statements and necessary adjustments should be made to the general ledger. Preferably the unopened bank statement should be received and reviewed by someone unrelated to the accounting process. Particular attention should be paid to the review of returned canceled checks for signatures and endorsements to highlight any unusual items.**
- e. Old outstanding checks will be investigated and resolved.**

7.7 Payroll

7.7.1 Payroll and related employee benefits are the largest single expense item for FYSA. One of the best controls is the employment of an outside payroll service. This practice provides a mechanism to ensure that appropriate payroll reports are files and introduces an additional level of control in the management of FYSA. Additional controls are designed to ensure that:

- a. Payroll and related benefits are only paid to bonafide employees at approved upon salary and benefit rates.**
- b. Payroll transactions are properly recorded in the general ledger and properly allocated to functional areas based on time and effort reports.**
- c. Payroll taxes are properly reported and remitted to federal and state taxing authorities.**
- d. Payroll records are maintained in accordance with FYSA and government policies.**
- e. Employee benefit programs are maintained in accordance with applicable laws and regulations.**

7.7.2 In addition specific controls are implemented in the payroll areas as follows:

- a. Payroll and personnel information is kept very confidential with access allowed only to authorized personnel.**
- b. Salary levels and salary changes are recommended by the Director of Programs and Services to the Personnel Committee, budgeted for by the budget committee, and approved by the Executive Committee. Only total, not individual, FYSA salary allocations will be presented for approval by the Board of Director's and in the proposed annual budget at the AGM.**
- c. Employee files are appropriately maintained with all necessary documents such as W-4's, I-9's and benefit plan elections are included and appropriately updated.**
- d. Payroll is prepared based on properly documented time sheets or other attendance records.**
- e. Payments for overtime are to be approved by the Treasurer.**
- f. Vacation, holiday, and sick pay are accurately tracked.**
- g. Employee names and pay rates will be verified with each payroll run.**
- h. When at times it is necessary for FYSA to sign payroll checks, the individual who signs will be different than the person who prepares the payroll.**
- i. A master schedule of payroll and unemployment filing should be prepared to ensure that they are properly made to the various taxing authorities.**
- j. Employee benefit plans will be periodically reviewed to ensure that they are in compliance with applicable laws and regulations.**
- k. Reconcile salary and benefit expenses recorded in the general ledger with payroll information reported to the IRS.**

7.8 Contribution and Revenue Cycle

7.8.1 FYSA revenue comes from a variety of different sources. Typical revenue items include contributions from affiliations dues, players and coaches fees, grant or contract revenue, advertising income from the website or Touchline, AGM revenue, sales of products, interest and investment income.

7.8.2 Controls over revenues (in addition to those centered around cash receipts) must be designed to ensure that amounts are properly billed and collected and recorded in the correct accounts. Key controls and objectives in this area include the following:

a. Contributions

(1) Controls on contributions ensure that:

- (a) Restricted contributions are identified, evaluated, and accepted.
- (b) Promises to give are properly valued and recorded.
- (c) Contributed goods, services, utilities, facilities, and the use of long-term assets are properly valued and recorded.
- (d) Compliance with donor restriction and board designations is monitored. Documents (wills, trusts, etc.) related to donor restricted gifts are maintained properly.
- (e) Ensure that FYSA is in compliance with state charitable registration requirements. Make sure that any fundraising counsel employed by the organization is properly registered pursuant to applicable State of Florida requirements.
- (f) All investment income will be properly recorded including income earned on CDs and other interest bearing investments and gains.
- (g) Appreciation and depreciation of investments will be properly recorded.

(2) In addition, The Director of Programs and Services will:

- (a) Establish procedures for billing advertisers and others in a timely fashion.
- (b) Follow up on accounts receivable and have someone independent of the sales function authorizing bad debt write-offs. This will normally be a function of the Treasurer, who will in turn notify the Administrative Officers with the recommendation to authorize the bad debt write-off.
- (c) Establish controls and segregation of duties over billing, collection and registration of AGM attendees and exhibitors at the AGM.
- (d) Ensure on-site registration is accomplished with multiple people responsible for receiving and counting cash. Cash collected will be deposited daily in the closest approved bank facility.
- (e) Ensure that all sales of goods and services are properly recorded.
- (f) Returns, allowances, discounts, write-offs and so forth will be recorded as *contra* revenues rather than as a direct reduction to the revenue accounts.
- (g) Credit memos are issued in numerical order.

7.9 Fixed Assets

7.9.1 Controls over fixed assets are designed to ensure that only properly approved items are purchased, assets are safeguarded and adequately insured and the assets are properly accounted for a purchase through depreciation charges.

a. These controls include:

- (1) Adequately budgeting for fixed asset acquisitions through a capital budgeting process.

- (2) Document the sale or disposal of fixed assets.
- (3) Ensure that acknowledgment requirements for charitable contributions exceeding \$250 and *quid pro quo* contributions are met.
- (4) Ensure that IRS requirements for non-cash gifts are met.
- (5) Monitor and follow-up on outstanding promises to give.

b. Affiliation/Player/Coaches Dues

- (1) The affiliation, player, and coach's dues and fees are set out in the FYSA by-laws or in other FYSA official documents.
- (2) Ensure that fees are calculated properly.

c. Grant or Contract Revenue

- (1) The Executive Committee will review all grant and contract proposals. The Board of Directors will approve Grant and contract proposals.
- (2) The accounting system will properly designed to capture direct costs and revenues for each individual grant or contract.
- (3) Grants and contracts will be properly supervised to ensure that expenditures are made only for the purposes stated in the grant and that compliance with grant requirements is met.
- (4) Expenditures under the grant must be properly documented so that independent CPAs or the granting agency can audit them.

d. Other Revenue Sources

- (1) Segregate advertising revenues in the general ledger and identify the source(s) associated with earning the revenues for general accounting purposes.

8.0 PROPERTY RECORD AND ACCOUNTABILITY

8.1 Each year during the month of July, the State Office and each Region shall prepare and/ or update an inventory of the physical assets and property of the Association. Each region will supply a copy of the inventory to the State Office no later than the last day of the fiscal year in which the inventory is prepared. Such inventory will include:

- a. A specific description of the asset including brand name, model and serial number of the asset.
- b. The person who has physical control over the asset.
- c. The location of the asset.
- d. The approximate value of the asset.

8.2 The capitalization policy for recording fixed assets is as follows:

- a. All fixed asset purchases over \$100 must be recorded as fixed assets.
- b. Obtain any available tax exemptions for fixed assets.
- c. Properly account for and assign responsibility for portable fixed assets such as fax machines, printers, and laptop computers.
- d. Inventory fixed assets and give them identifying marks.
- e. Periodically inspect fixed assets and compare the inventory of fixed assets with amount recorded on the general ledge and in insurance records.
- f. Establish depreciation schedules with proper asset lives and depreciation rates.

8.3 INTERNAL AUDITS

8.3.1 State Accounts. All State Accounts of the Association shall be audited at the discretion of the

FYSA Executive Committee or Board of Directors.

8.3.2 Region Accounts. All region accounts shall be audited periodically according to a schedule determined by the Association's Board of Director or its designee.

8.3.3 Audit results. The results of all audits shall be provided to the Board of Directors, the Association's Budget Committee and each Affiliate.

9.0 UNAUTHORIZED EXPENDITURES

9.1 Unauthorized expenditures are those expenditures which:

- a. are not contained within the annually approved budget,
- b. are not approved by the committee chairperson,
- c. are not expended in the interest of soccer,
- d. an expense voucher is submitted with out an approving signature.
- e. a submission is made without supporting documentation of personal expenditures.

9.2 The recognized signature(s) or approving authority for each committee will be the appropriate committee chairperson. For District Commissioners, the approving signature will be the appropriate Region Vice President. The President and/or Treasurer will be the approving signature for members of the Executive Committee and office staff.

9.3 When expending funds other than those approved for an elected officer or committee, that expenditure must be pre-approved by the committee chairperson. The individual expending funds identified as unauthorized must present in written form to the committee chairperson the reason for the expenditure. The decision of the committee chairperson is final, unless ruled otherwise by the Executive Committee. Any individual, who is not a recognized member of the committee and is submitting a voucher for payment, the request for payment will be considered an authorized expenditure. Any expenditure submitted by an individual and that expenditure is not approved by a committee chairperson or the budget committee, the individual shall bear the cost of the expenditure.

9.4 Unauthorized expenditures include, but are not limited to purchasing of hardware, software, game/player equipment, lodging, meals, fuel, or other property, not approved or contained within the annual budget.

9.5 For those instances where a committee is not involved, the treasurer must review the unauthorized expenditure to determine action to be taken. In the event a voucher is submitted against committee expenditures, all vouchers submitted unsigned, or unapproved, by the committee chairperson will be considered as an authorized expenditure.

9.6 In the event FYSA must pay or bear the unauthorized expenditure, this will be considered as extending credit to the individual. The individual will have 14 days to reimburse FYSA the cost of the unauthorized expenditure plus interest at the rate of 18 percent per anum. Should the unauthorized expenditure remain unpaid after 30 days, that individual, league, or club will be subject to being placed in "not-in-good-standing" by the Board of Directors, or as permitted by the FYSA Bylaws.

10.0 TRAVEL AND PER DIEM RATES

10.1 A reliable source for reference and tracking of allowable U.S. Per Diem rates can be located on the World Wide Web at <www.govexec/travel/>.

10.2 LODGING

10.2.1 Allowable lodging rates will be those shown at the web-site above. The Association will reimburse up to the amounts listed in the website. When satisfactory and affordable lodging is available

with reasonable commuting distance of the travelers' destination, the traveler is obligated to utilize lodging that is within the allowable daily Per Diem Rate. A valid receipt must accompany all claims for reimbursement of lodging expenditures.

10.3 MEALS

10.3.1 The standard rate allowed by FYSA for Meals \$50.00 per day. The separation for meals is:

Breakfast - 20 percent or, \$ 10.00 per day
Lunch - 30 percent or, \$ 15.00 per day
Supper - 50 percent or, \$ 25.00 per day

10.3.2 Each meal will be reimbursed up to the amount shown in the separation. Any cost incurred per meal over that allowed will not be reimbursed to the individual. **EXAMPLE:** Supper costs

\$32.37; the individual will be reimbursed for the evening meal a total amount of \$25.00.

NOTE: TIPS are not included in the daily meal rate. TIPS up to 20 percent are considered acceptable.

10.3.4 Any individual exceeding the allowable daily Per Diem rate will be personally responsible for all expenditures over the allowable daily Per Diem.

10.4 INCIDENTALS

10.4.1 A maximum of \$5.00 a day will be allowed for incidentals, i.e., laundry, and dry cleaning. A valid receipt must accompany all claims for incidental expenses.

10.4.2 Rental vehicles are not considered under Per Diem Rates, nor are they considered incidentals.

10.5 EXCEPTIONS TO MAXIMUM PER DIEM RATES

10.5.1 While performing business in the interest of FYSA, from time to time the Administrative Officer's, or individuals of the Executive Committee are required to host VIP's or other guests and dignitaries, or to travel to, and lodge at a site outside the permitted per diem rates recognized by FYSA. During these host events or travels it may be necessary to pay for lodging and meals far in excess of the permitted rates.

10.5.2 The following exception pertains to travel costs in excess of the maximum per diem rates.

- a. Incurred unusually high expenses, i.e., meals, while meeting with or hosting VIP's, or special assigned duties from National or International soccer organizations or officials.
- b. A traveler attends a meeting, conference or training session where lodging and meals were procured at a prearranged place (hotel where meeting, conference or training session was held).
- c. Affordable lodging was not available or not within reasonable commuting distance of the meeting, conference or training session.

10.5.3 All claims for reimbursement for lodging and/or meals exceeding the maximum allowable Per Diem rate must be submitted with a valid receipt.

10.6 In each case where expenses have exceeded that allowed, the president and treasurer shall approve each occurrence. Unapproved expenditures shall be borne by the maker of the expense.

10.7 PRIVATELY OWNED VEHICLES

10.7.1 Privately owned vehicles (POV's) when used in the carrying out of FYSA soccer business is

reimbursed at the current rate recognized by the IRS and U.S. Government. The following web-site contains the current reimbursement rates for privately owned automobiles, motorcycles, and aircraft. <http://www.policyworks.gov/org/main/mt/homepage/mtt/pov.htm>

11.0 EXPENSE VOUCHERS AND RECEIPTS

11.1 VOUCHER SUBMISSION

11.1.1 Accumulating expenses is an everyday event in conducting business for FYSA. FYSA is committed to reimbursement of legitimate expenses as quickly as possible. In order to accomplish this, the Expense Reimbursement form must be submitted to the state office **NO LATER** than 3 months (90 days) from the time of the expense was incurred. All expenditures submitted for reimbursement older than 90 days from the date of the submitted form will be automatically rejected. Any claimed expenditure over 90 days must be brought by the claimant before the Board of Directors for review and consideration for reimbursement. (See Figure 5, Expense Reimbursement Form)

11.1.2 Prior to submitting the Expense Reimbursement form to the state office, the form must be reviewed and approved.

- a. Members of the Executive Committee, Director of Programs and Services, Director of Coaches, Referee Liaison, Director of Amateur Soccer, and Support Committee Chairpersons must submit the form for review and approval by either the President, or Treasurer.
- b. District Commissioners must submit the form to their respective Region Vice President for review and approval.
- c. Support Committee members must submit the form to their respective committee chairperson for review and approval.

11.1.3 In each case, the person reviewing and approving the Expense Reimbursement form will forward the form with all accompanying receipts to the state office.

12.0 RECEIPTS

12.1 With respect to meals, lodging, and travel, a receipt for all expenditures must accompany the request for reimbursement. The rule is simple: no receipt, no reimbursement. Each receipt must have a diary notation. The receipt and the diary notation must have all of the following information:

- a. The amount paid,
- b. The name/location of the restaurant/entertainment facility,
- c. The person(s) for whom expenses were incurred,
- d. Other person(s) business relationship with FYSA, and
- e. The business discussion related to the expense.

12.2 Unless FYSA business is discussed, before, during, or after the meal, personal expenses will not be allowed. As with the IRS, paper rules!

-END-

INSERT
FIGURE 5
EXPENSE REIMBURSEMENT FORM