

IOWA SOCCER ASSOCIATION

FINANCIAL POLICIES AND PROCEDURES

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IOWA SOCCER ASSOCIATION

FINANCIAL POLICIES AND PROCEDURES

PURPOSE

The purpose of these financial policies is to provide consistent application of conduct and proper internal controls to safeguard the assets of the Association while performing the duties and functions as described in the Association's Bylaws and Rules. To this end, all funds received and disbursed in the name of the Association shall be managed in such a way that the tax-exempt status of the Association is not endangered.

These policies also serve to communicate to the members of the Association how the funds they pay to support the Association will be spent.

DEFINITIONS

1. "Association" means the Iowa Soccer Association.
2. "Event" means the Association's Annual General Meeting, the National Youth Challenge Cup, the American Cup, the College Search Kickoff or other similar activities. It is not a committee, office, or officer of the Association.
3. "Line Item" means a specific line with a corresponding amount in the Association's budget.
4. "Program" means the operations of a specific officer, committee such as the Olympic Development Program, or office of the Association. It is an area that contains at least several line items within the Association budget.
5. "Board" means the Association Board of Directors.

MANAGEMENT AND CONTROL

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

Responsibilities of Persons Who Incur and/or Approve Expenses

Persons incurring expenses on behalf of the Association are responsible for ensuring that all expenditures are consistent with Association policies and budgetary restraints.

Anyone with expense approval authority must be fully cognizant that their signature on an Income and Expense form or Association check indicates conformity with stated Association policy, that legitimate and necessary expenses have been incurred, and that all items on the income and expense form are proper.

The Executive Director will

1. Maintain the financial records of the Association in a form and manner acceptable to the Treasurer of the Association.
2. Maintain the financial records of the Association such that they may be reviewed by the Treasurer of the Association at any time during normal business hours, and within 2 working days notice by any member of the Executive Committee.
3. Oversee the daily accounts of the Association including receiving the bills and receipts of the Association, making timely deposits of funds, and recording and preparing expenses for review and payment approval by the Treasurer of the Association.
4. Provide financial reporting and control of all Association programs under the direction of the Treasurer of the Association.
5. Prepare statements of the financial affairs of the Association for presentation to the Association Board of Directors at each regular Board meeting in a form and manner as directed by the Treasurer of the Association.
6. Supervise the Office Petty Cash Account.
7. Inform volunteers and employees of these Association policies and procedures.

Financial Records

The Association office and the Treasurer will create a list of accounts which reflect the line items listed in the budget. All books, records, and accounts will be maintained by the Association office staff under the supervision of the Executive Director.

General Requirements of All Accounts

All income of the Association shall be deposited into and all expenses shall be paid by checks drawn against the following accounts:

1. The general operating accounts which may or may not be an interest bearing accounts.
2. A money market savings account which shall be an interest bearing account.
3. Investment accounts as recommended by the Board.
4. Petty cash fund which shall not contain more than \$200.

Location of Accounts

The Association's accounts shall be maintained by the Association office. All operating accounts shall be in institutions insured by the FDIC. Investments may be placed in non-FDIC insured accounts with the prior approval of the Board.

Copies of account statements will be mailed directly to the Association office.

Name of Accounts

All accounts of the Association shall be in the Association's name. If special accounts are set up to support a specific activity the name of the account will include the Association's initials. (e.g. ISA College Search Kickoff)

Signatures Required

Checks for the payment of expenses shall be written by the Association staff. The Association's President, Treasurer, and/or Executive Director may sign checks. Checks of \$500 or less may be signed with one signature. All other must have two of the above signatures.

Generally, all Association checks will be signed by the Association Treasurer unless notice is given that the Treasurer is not available to sign checks on a timely basis.

Reconciliation of Accounts

Reconciliation of bank statements will be completed within 3 working days of receipt.

The Association Treasurer will be immediately notified of any discrepancies determined when reconciling Association accounts.

Policies to Ease Management and Control

The Association office staff and the Treasurer may from time to time create policies to ease the management and control of the financial performance of the Association. These policies shall be presented to the Board for approval prior to implementation.

(e. g. Checks to pay immediate tournament expenses may be paid from a special limited tournament checking account that requires signatures from the Tournament Director and any one of the following: Association's President, Treasurer, and/or Executive Director.)

AUDITS AND REVIEWS OF ASSOCIATION FINANCIAL RECORDS

The Association shall have its financial accounts reviewed or audited annually by an accounting firm which shall have prior approval by the Board. The results of all reviews and audits shall be provided to the Board and Presidents of the Association's affiliated organizations.

FINANCIAL REPORTS BY THE ASSOCIATION

The Association office will create and report on a monthly basis current financial activities and send it to the following:

1. Treasurer
2. Program chairs as appropriate

The Association office will create and report on a quarterly basis current financial activities and send it to the Presidents of Affiliated Clubs.

Financial reports shall be available to the Board with the agenda of each regular Board of Directors meeting and the Annual General Meeting.

TAXES AND OTHER GOVERNMENTAL REPORTS

All individuals providing a service which is compensated by the Association shall provide name, address, and social security number or EIN to the Association office for the purpose of the Association's filing required IRS forms. (i.e. 1099).

Tax forms and other governmental reports will be prepared by the Association office.

FAILURE TO FOLLOW FINANCIAL POLICIES

In the event any member, officer, committee member, employee or any other person of the Association fails to comply with these policies, the President and Treasurer shall be notified. The non-compliant person shall be notified in writing by the Association office and shall be requested to comply by a reasonable date.

If the non-compliant person fails to comply within the time period specified, the non-compliant person shall automatically be considered in bad standing, removed from the appointive office or have the employment relationship or contract terminated, and prohibited from participating in any Association activity.

RECEIPTS OF THE ASSOCIATION

Funds Received at the Association Office

Opening the Mail and Collecting Financial Receipts

An Association office employee as designated by the Executive Director shall open all mail and stamp any checks or other financial receipts for deposit.

Copying Receipts

All checks and other financial receipts shall be copied and all cash received shall be logged by the Association's designated office employee. Copies of checks and other financial receipts along with any support documentation shall be placed in a specified file.

Processing the receipts

All checks, financial receipts, and cash shall be entered into the Association's accounting system by an Association office employee, and then secured in a locked file cabinet.

Deposits

Periodically the designated Association office employee or the Executive Director shall complete a deposit slip and provide the deposit slip and the receipts to the other for deposit into the Association's account(s). The deposit slip shall be attached to the financial receipts making up the deposit.

All deposits will be accompanied by a detailed allocation of the deposited funds to allow cost/income accounting. The deposit documentation will be reviewed and authorized by Executive Director.

Unless special arrangements are made with the Association Treasurer and Executive Director, all receipts will be deposited within 5 working days of being received by the office.

Funds Received at Association Activities

Any cash received shall be issued a written receipt which will indicate who made the payment and the account that the funds should be credited to. Duplicate receipts will be used to maintain a record of funds received.

Receipts from any activity will be transferred to the Association office within 5 working days of receipt.

Cash receipts shall be deposited into an Association account as soon as possible and in all cases within 5 working days of being received.

If cash funds are deposited into an activity checking account for safety reasons, a transfer check accompanied by the appropriate documentation shall be issued to the Association office within 5 days.

DISBURSEMENTS OF THE ASSOCIATION

Documentation Required

Disbursements shall be paid only as a result of documentation supporting the expense. Such documentation may include the Association Income and Expense form with proper attachments, invoices, and other written billing.

Account Disbursements

The Association office staff, under the supervision of the Executive Director, shall process and handle the payment of all expenses of the Association. Expenses shall be paid by check from the Association's operating account.

Attachments to Disbursements

Association checks will be sent, as required by these policies, to the second required signatory with attached expense documentation.

CREDIT CARDS

The Board may approve credit cards to be issued to and in the name of members of the Association to be utilized by Board members and specified others representing the Association.

Billings from the credit card company shall be mailed directly to the Association office, which in turn shall send payment to the credit card company on a timely basis to avoid interest charges.

Generally the credit cards will be American Express Corporate credit cards.

Pay for Expenses

The annual fee for the credit card(s) shall be paid by the Association.

Reporting

Each card holder shall be responsible for providing a signed and properly completed Association Income and Expense form with attached receipts to the Association office within thirty (30) days of the incurred expenses. Any charged expense which relates to someone other than the cardholder such as meals, or other items for another person/entity, the cardholder submitting shall include the full name(s) of all such other person(s)/entity(ies), the business purpose, the item(s) purchased, and the amount of the purchase(s). The only exceptions pertaining to submission are as follows:

1. Air travel made and charged with the approved Association travel agency.
2. Lodging and meeting space which is master billed to the Association.

Credit Card Billing

When a credit card bill arrives, the Association office will send each person who has not already submitted an Association Income and Expense form, a memo with a blank form and a copy of the credit card statement pertaining to that person's charges. The memo will request submission of the information substantiating the expenditure, the properly completed form and proper supporting information attached within five (5) days.

Failure to Provide Proper Documentation

If the proper documentation is not received within the specified time period, a letter will be sent to the non-reporting person advising the person that if submission is not received within seven (7) days, the Association credit cards issued to the delinquent person will be subject to cancellation.

If the proper documentation is still not received within the specified time period the Association office, after notifying the Treasurer and the President, will cancel the non-submitting person's credit cards.

The Board will be informed of any non-reporting letters or cancellations at its next meeting.

Non-authorized Charges

Charges that do not conform to the Association's policies or personal charges on an Association credit card are prohibited.

After being properly reviewed and upon approval of the Board, charges of this nature shall result in the Association seeking reimbursement for the non-authorized charges, and may result in the Association canceling the person's credit cards, and separation from the Association.

EXPENSE REIMBURSEMENT

It is expected that the Board of Directors, Committee Chairs, volunteers, and employees of the Association will from time to time, incur expenses on behalf of the Association.

The Association's volunteers and employees should not be penalized nor should they profit by adhering to stated Association financial policies.

This policy presents standard procedures by which volunteers and employees shall recover funds properly expended in the conduct of the Association's business.

Responsibility of Persons Who Submit and/or Approve Expense Reimbursement

Anyone with expense reimbursement approval authority must be fully cognizant that their signature on an expense report indicates conformity to stated Association policy, that legitimate and necessary expenses have been incurred, and that all items on the expense report are properly reimbursable to the person submitting the report. Both the person submitting the report and the person granting approval have equal responsibility for its correctness and to ensure that all expenditures are consistent with Association policies and budgetary restraints.

General Policy

Association volunteers and employees shall be reimbursed for actual reasonable and proper expenditures incurred in the conduct of approved Association business.

These policies are applicable to all volunteers and employees of the Association.

Reimbursement Policies - Specific Requirements

Income and Expense Forms

An Income and Expense form shall be utilized by anyone requesting reimbursement from the Association.

Any request for reimbursement which relates to someone/entity other than the person requesting reimbursement shall include the full name(s) of all such other person(s)/entity(ies), the business purpose and details, the item(s) purchased, and the cost or amount of reimbursement sought.

Documentation Required

Expenses shall be paid only as a result of documentation supporting the expense. Such documentation shall include an Association Income and Expense form with proper attachments, invoices, receipts, and other billing.

Approval

Income and Expense forms shall be approved first by the Executive Director, the Treasurer, and/or the President. The Executive Director's expenses shall be reviewed for approval by the Treasurer. The Treasurer's expenses shall be reviewed for approval by the President.

Time Period

Unless otherwise arranged or as stated below, expense reports shall not cover periods of time greater than one month.

Income and Expense forms shall be submitted to the Association office within thirty (30) days of the expense, and include the date, signatures of all parties, and attached receipts and/or invoices.

If the expense is less than fifty dollars (\$50), the reimbursement request may be withheld until reimbursements reach fifty dollars (\$50) or more, or until thirty days prior to the close of the program's fiscal year or the close of the Association's fiscal year.

Penalty for Failure to Submit Timely

Any reports not submitted within thirty (30) days of the end of the Association's fiscal year shall not be reimbursed, unless specifically approved by the Board.

Rebates, Adjustments, and Advances

Any rebate, adjustment, or expense advance received by a person submitting an expense reimbursement request shall be deducted from expenses claimed. Funds received after submission of an Income and Expense form shall be returned to the Association office along with a corrected copy of the original Income and Expense form.

Discounts

Members are encouraged and advised to maximize discounts available to them. The fact that a private organization may be paying the bill has no bearing on their personal obligation to seek discounts. Association volunteers and employees should request any available discounts for car rental, lodging, air travel, quantity print runs, or other expenses.

Receipts

For reimbursement, receipts shall be attached for all expenditures in excess of \$25.00.

Compliance with IRS Regulations

The policies, procedures, and instructions contained herein are written to conform with current Internal Revenue Service and Federal Government Regulations.

Travel and Other Business Expenses

General Policy

The Association will reimburse volunteers and employees for reasonable and proper expenses incurred in connection with traveling and other business expenses, with exceptions as noted, in the conduct of approved Association business. The purpose for the trip and expenses incurred shall be documented and properly reported on an Association Income and Expense form.

All travel shall have prior Association approval before being scheduled.

Travel Agency

All persons traveling for business on behalf of the Association shall order tickets through the Association approved travel agency. The Executive Director, President, and Treasurer have the authority to approve travel and arrange travel requests with the Association approved travel agency.

Mode of Transportation

Air Travel

Air travel will be “coach” class. Travelers should make reservations as early as possible to take advantage of the least expensive fares available.

The bonus mileage awards accrued by travel at the Association’s expense will be the personal property of each traveler to be used as they see fit.

Personal Automobile

The Association mileage reimbursement shall be for the actual mileage driven at the standard mileage rate as allowed by the Internal Revenue Service for the previous calendar year. Such rate will be provided by the Association office.

Actual mileage includes round trip to destination and travel between visiting site and hotel. Parking fees and tolls are additional expenses which will be reimbursed in addition to mileage.

The amount reimbursed for travel by private automobile will not exceed the value of the least expensive air transportation.

Rental Cars

Prior to rental of a car, consideration should be given to its required use and other transportation alternatives. Often the nature or place of the trip dictates that taking a taxi, airport limousine or hotel

courtesy car is most economical and negates the need for a rental car. Taxis are an alternative to the use of a rental car and should be used when appropriate. Most airports offer limousine service for commuting between the airport and downtown areas or hotels. It is usually less expensive for groups than taxis and rental cars. Many metropolitan areas have a variety of forms of public transportation. Association volunteers and employees are encouraged to use these systems when appropriate.

Members shall request economy or compact sized cars, except when four (4) or more members are traveling together.

Rental agreements provide several options to the renter. Please check with the Association office for waivers that should or should not be taken when renting a car.

In the event of an accident, local rental and law enforcement authorities shall be properly notified.

Payment for rental cars is the responsibility of the individual. No attempt may be made to bill the Association directly. The itemized rental receipt along with the actual payment receipt are required to be submitted.

If the Association member is renting a car and combining personal and business travel, the member will be personally responsible for the rental agreement and payment of the entire rental costs. When completed, the member may then request reimbursement for that part of the trip that was Association business related. The member shall complete an Association Income and Expense form with the proper documentation to be eligible for reimbursement.

Lodging

Association volunteers and employees will be reimbursed for the actual cost of reasonable accommodations for approved travel.

Types of Rooms and Rates

Single room rates should be requested when reservations are placed, with lodging expenses to be itemized by the day on the Income and Expense form. For trips where weekly or monthly rates are available and favorable, this shall be clearly shown on the Income and Expense form. Members are expected to seek lodging in the proximity of the visiting location to minimize the cost of local transportation. The itemized hotel bill is required to be submitted.

Unless otherwise approved members are requested to seek lodging with Association approved hotels/motels that offer the least expensive rooms but do not compromise quality and security. A list of approved hotels/motels is available at the Association office.

Cancellations

Only in the most unusual circumstances will a “no-show” be considered a proper expense. The traveler has the responsibility to cancel reservations.

Meals

Association volunteers and employees will be paid a per diem of \$25.00 per day for meal expenses. If not claiming a full day, the Association will reimburse as follows: breakfast - \$6.50; lunch - \$8.00; dinner - \$15.00. Higher daily meal allowances may be approved by the Board in high cost areas. Each meal shall be specifically and separately reported on the Income and Expense form.

Business Meetings and Conferences

When expenses are submitted for attendance at Association business meetings, conferences, and meals with guests, the Association member shall indicate on the expense report the nature of the meeting, the attendees, and other data which may be necessary to support the expense.

Telephone Calls

Actual expenses for Association calls, safe arrival calls, and calls to family will be covered by the Association for individuals traveling on approved Association business. The traveling member is requested to use the Association's long distance calling card number for the above calls.

Long Distance Telephone Calls by Volunteers and Employees Outside the Office

If possible, when volunteers and staff must make telephone calls outside the Association's office, each shall use the Association's long distance calling card number. In other cases telephone calls will be reimbursed for the direct expense of the call provided proper documentation is submitted.

BUDGETARY PROCESS

General Policy

Sponsorship Income

Only income that is contractually "in hand" shall be projected as coming from non-member income.

Registration Income

Previous year's player registration shall be used for projecting income from player registrations for the next fiscal year.

User Fee Income

Previous year's program/activity user fees shall be used for projecting income from programs/activities for the next fiscal year.

Initial Budgets

The next fiscal year's budgets for all programs, committees, and offices of the Association shall be initially generated by the Association's office. These initial line item budgets shall be submitted to the officers, program directors and committee chairs for review, proposed revisions, and comment.

Proposed Changes

The Association office shall provide a reasonable deadline for the submission of proposed changes to the initial budgets. Each proposed change shall contain the budget totals for each line item as modified and a detailed explanation and justification for each requested change.

Failure to submit proposed changes shall result in the initial budget being the maximum budget of the program, committee, or office.

Budget Presentation and Approval

The Association office shall send the proposed budget to all members of the Board no later than two weeks prior to the June meeting.

The Board shall approve or deny the budget at the June meeting.

If denied, the budget shall be reworked and submitted to the Board for approval no later than one (1) month before the end of the Association's fiscal year.

Budget Distribution

The final budget will be distributed to the Presidents of all affiliated organizations of the Association no later than the Annual General Meeting.

Capital items

Capital items are purchased as individual items or as a class or items (e.g. furniture, soccer goal nets) with an expected life of 1 year or more, and cost \$100 or more.

An inventory of capital items shall be maintained by the Association office.