

**DELAWARE YOUTH SOCCER ASSOCIATION
FINANCIAL POLICIES & PROCEDURES**

A. **Purpose**--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 Association's 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. Changes or additions to this policy shall emulate and conform, as nearly as circumstances permit, to the Financial Policies and Procedures of United States Youth Soccer Association, Inc.

B. **Definitions**

1. "Association" means Delaware Youth Soccer Association.
2. "Department" means an Association officer, program, committee, or office.
3. "Event" means the Annual General Meeting, the Delaware Cup Competition, the Indoor Cup Competition, the First State Cup Competition or other events of a similar nature. It is not a committee, office or officer of the Association.
4. "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.
5. "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.
6. "Association Affiliate" means any club or league maintaining membership and voting rights in the Association.

C. **Management and Control.** The President, the Vice-President, and the Treasurer shall be in regular contact concerning the financial performance of the Association.

1. **General Requirements of All Association Accounts.** All income of the Association, shall be deposited into and all expenses shall be paid by checks drawn against the following accounts:
 - a. **Type of Accounts.** The Association shall have the following accounts, as approved by the Board of Directors:
 - (1) the operating account is exempted from being interest bearing;
 - (2) savings account, which shall be interest bearing;

- (3) investment accounts as recommended by the Investment Committee.
 - b. **Location of Accounts.** The accounts of the Association shall be maintained by the Treasurer and administration staff. Operating accounts must be placed in institutions insured by FDIC or by another federally insured institution. They shall be mindful that the accounts shall not exceed the maximum amount which is insured.
 - c. **Name of Accounts.** All accounts of the Association, including but not limited to Association and Olympic Development bank accounts, shall be in the Association's name.
 - d. **Association Accounts.**
 - (1) **Signatures Required.** Checks for the payment of expenses shall be written by the Treasurer or administrative Staff and shall be signed by any two of the following officers: the Association's Treasurer, President and/or designated signatory.
 - e. **Association Affiliate Accounts.** Affiliate Associations and other affiliated members may maintain whatever independent bank accounts they may require in order to carry out their obligations to their own membership. The accounts of these members may be subject to audit by the Board of Directors of the Association or its designee at any time in order to insure that the Association Affiliate is operating in a fiscally prudent manner.
2. **Receipts of the Association.** All income of the Association shall be placed into Association accounts.
- a. **Association Receipts.**
 - (1) **Funds Received by the Treasurer and Staff.**
 - (a) Receipts from all sources shall be identified and marked for application to the appropriate accounts.
 - (b) Checks shall be stamped for deposit to the Association account.
 - (c) The dollar amount of cash shall be verified and a receipt issued.
 - (d) The receipts shall be entered individually into the cash journal of the General Account or the ODP Account, as appropriate.

- (e) Deposits to the Association's accounts shall be made not later than the next business day after entry into the cash journal(s).

(2) **Funds Received by Programs and Events.**

- (a) Receipts shall be recorded in a form which indicates the event, the date(s) of the event and the unit fee charged. The record shall contain:
 - [1] The name of the payor;
 - [2] Address;
 - [3] Club affiliation;
 - [4] Whether cash or check payment;
 - [5] Amount paid (if a single check pays for several fees, then the persons covered should be listed immediately following.
 - [6] Cash received shall be recorded in a column separate from checks.
- (b) Receipts, with two copies of the record, will be forwarded to the Treasurer who will verify the receipts with the record, confirm the totals, and sign and return one copy of the record to acknowledge receipt of cash and checks.
- (c) On no occasion will cash received at an event be used for any purpose. Funds to cover incidental expenses should be requested in advance by means of a fund advance for the event.

3. Disbursements of the Association.

a. **General Requirements.**

- (1) **Documentation Required.** Disbursements shall be paid only as a result of documentation supporting the expense. Such documentation may include Association Direct Expense Reimbursement Forms with proper attachments, invoices or other written billing.
- (2) **No Disbursements Over Total Program Budget.** No disbursements may be made on payables which are not covered by the approved Budget. Payment of these obligations shall be made either by the individual who created the unauthorized payable or by an approved budget amendment.
- (3) **Non-Budgeted Disbursements.** Disbursements requested that are not budgeted and are requested from contingency funds must be approved for payment by a resolution of the Board of Directors.

- (4) **No Approved Budget In Place.** In the event that the Board of Directors has failed to approve a budget for the operating year, or for any reason that there is no approved budget, the Treasurer will place each request for a disbursement of funds before the Board of Directors. The Treasurer will indicate whether funds are currently available and whether the disbursement will adversely affect the financial condition of the Association. Each disbursement must be the subject of an individual resolution or be listed within a group presented for payment. Each item for disbursement must be approved by the Board for payment. Recognizable pass-through items are exempted from this requirement. Payment of Player Registration fees to USYSA, payment of Player Insurance premiums, and Registrar Fees collected on behalf of the Registrar are pass-through items.
- b. **Association Accounts Disbursements.** The Treasurer or the Association Staff, with the oversight of the Association's signatories, shall process and handle the payment of all expenses of the Association.
 - (1) **Expenses to be Paid from Operating Accounts.** Expenses shall be paid by check from the Association's operating accounts.
 - (2) **Payments by Cash.** No payment of Association expenses will be made in cash. Cash received in payment of fees at Association functions may not be used to pay for expenses incidental to that function.
 - (a) **On-Field Payment of Referees.** With prior agreement with the State Referees' Association, provision may be made for cash payment to the Referees officiating at the Delaware Cup Competition, The First State Cup Competition and the Indoor Cup Competition. In each case, the name, address and taxpayer identification number of each referee receiving payment will be recorded. Each recipient will sign a receipt of payment.

4. Investment Accounts.

- a. **Investment Committee.** The President may appoint an investment committee, chaired by the Treasurer, for consultation in the decision to invest funds of the Association.
- b. **Investments.** The Board of Directors with the assistance of the Treasurer shall decide the nature and amount of investment for the Association, with the advice of the Investment Committee.
- c. **Investment Considerations.** Considerations for the investment of Association funds shall be as follows (listed in the order of priority):

- (1) security; then,
- (2) liquidity; then,
- (3) rate of return.

5. **Financial Records.**

- a. **List of Accounts.** The Association Staff and the Association's Treasurer will create a list of accounts which reflect the line items listed in the Budget.
- b. **Books and Records.** All books, records, and accounts will be maintained by the Treasurer and Association Staff.

6. **Reporting**

- a. **Records of Current Financial Activity in Comparison to Budget.** The Treasurer will create and report on a monthly basis current financial activities in comparison to the Association's budget and present it at the Board of Directors meeting of the following month.
- b. **Extra-Budget Expenses.** The Association Treasurer, President, Chairman of the Budget Committee and the manager of the Department involved shall be contacted immediately whenever any extra-budgetary expense is received or any Department goes over Budget.
- c. **Reports for Board of Directors' Meetings.** Financial reports shall be available to the Board of Directors with the agenda of each Board of Directors' Meeting.
- d. **Individuals Compensated, Information to be provided to the Association.** All individuals providing a service which is compensated by the Association must provide name, address, and social security number or EIN to the Treasurer for the purpose of the Association's filing IRS form 1099.

7. **Audits**

- a. **Association Accounts.** All accounts of the Association shall be audited annually.
- b. **Audit Results.** The results of all audits shall be provided to the Board of Directors, the Association Budget Committee and each Association Affiliate.

8. **Other Matters**

- a. **Regional and National Meeting Expenses.** In order for the expenses of committee members in attendance at Regional and National Meetings to be charged against the budget of an Association committee, or Program, the following criteria must be met:
 - (1) Such expenses for attendance must be budgeted;
 - (2) A meeting of that committee must be scheduled; and
 - (3) File a written report of the meeting with the Board of Directors.

 - b. **Policies to ease Management and Control.** The Association Staff and the Treasurer will 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 of Directors for approval prior to implementation. Such policies will be guided by the then current Financial Policies and Procedures of the United States Youth Soccer Association.
- D. **Expense Reimbursement.** It is expected that the Board of Directors, Committee Chairmen, and volunteers and employees of the Association will, from time to time, incur expenses on behalf of the Association. This policy presents standard procedures by which volunteers and employees may recover funds properly expended in the conduct of the Association's business.
- 1. **General Policy.** Association volunteers and employees shall be reimbursed for actual, reasonable, and proper expenditures incurred in the conduct of approved Association business. The Association's volunteers and employees should not be penalized nor should they profit by adhering to stated Association policies with respect to expense reimbursements.
 - a. **Application.** These policies are applicable to all volunteers and employees of Association. All levels of management are responsible for informing their volunteers and employees about Association policies and procedures for expense reimbursement.

 - 2. **Expense Reimbursement Policies--Specific Requirements**
 - a. **Must Submit Expense Reimbursement Form.** An expense reimbursement form created by the Treasurer and Association Staff and approved by the Board of Directors shall be utilized by anyone requesting reimbursement from the Association. Any request for reimbursement which relates to someone other than the person requesting reimbursement, such as purchases of meals, or any other item for another person/entity, the person submitting must include the full name(s) of all such other person(s)/entity(ies) , the business purpose and details, and adjacent, the item(s) purchased. Upon completion with the date, signature,

details and attached receipts and invoices. It should be submitted to the Treasurer or the appropriate person responsible for approval within thirty (30) days of the expense.

- b. **Documentation Required.** Expenses shall be paid only as a result of documentation supporting the expense. Such documentation shall include Association Expense Reports with proper attachments, invoices or other billing.
- c. **Business Meetings and Conferences.** When expenses are submitted for attendance at Association business meetings, conferences, and meals with guests, the Association member should indicate on the expense report the nature of the meeting, the attendees, and other data which may be necessary to support the expense.
- d. **Responsibility of Persons who Submit 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 Board of Directors member or committee chairman approving the report have equal responsibility for its correctness and to ensure that all expenditures are commensurate with Association policy.
- e. **Approval.** Direct Expense Reimbursement Forms shall be first approved by the Department manager/officer/ director. Final approval shall be by the Association's signatories with right of the person submitting to appeal the signatories decision to the Board of Directors.
- f. **Approval of President's Expenses.** The President's expenses shall be reviewed for approval by the Association's Board of Directors.
- g. **Time Period.** Expense reports shall not cover periods of time greater than one month.
- h. **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 of Directors.
- i. **Rebates or Adjustments.** Any rebate or adjustment received by a person submitting an expense reimbursement request should be deducted from expenses claimed. Funds received after expense report reimbursement should be returned to the Treasurer along with a corrected copy of the original expense reimbursement form.

- j. **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 or van rental, lodging and air travel.
 - k. **Receipts.** For reimbursement, receipts must be attached for all expenditures in excess of \$25.00.
 - 1. **Compliance with IRS Regulations.** The policies, procedures and instructions contained herein are written to conform with current Internal Revenue Service and Federal Government Regulations.
3. **Travel Expenses.**
- a. **General Policy.** The Association will reimburse volunteers and employees for reasonable and proper expenses incurred in connection with traveling and living away from home, with exceptions as noted, in the conduct of approved Association business. The purpose for the trip and expenses incurred must be documented and properly reported on an Association expense reimbursement request form.
 - b. **Mode of Transportation and Air Travel.** The Association will authorize required transportation through approved travel agencies.
 - (1) **Air Travel**
 - (a) **Mode of Transportation Least Expensive.** The mode of transportation should be dictated by the relative least expensive way to travel.
 - (b) **Coach Class Required.** Air travel will be "coach" class. Travelers expecting reimbursement should make reservations as early as possible to take advantage of the least expensive fares available.
 - (c) **Air Bonus Mileage Awards (Frequent Flyer Miles) .** 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. An exception is that any accrual of bonus mileage awards attributable to a team's travel in connection with a specific program shall accrue to the program's benefit.
 - (2) **Personal Automobile.** Persons requesting reimbursement may elect to drive a personal automobile between home and airport, bus or train terminals.

(a) **Reimbursement.**

- [1] **Mileage.** 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 Treasurer. This rate includes the cost of gas, insurance, use, maintenance, and depreciation. Association officers, directors, employees, and volunteers shall not be reimbursed for local mileage incurred on otherwise routine Association business and meetings. Such local mileage should be recorded for a possible state and federal income tax deduction as a charitable expense.
- [2] **Parking and Tolls.** Parking fees and tolls are additional expenses which will be reimbursed in addition to mileage.
- [3] **Mode of Transportation Least Expensive.** The amount reimbursed for travel by private automobile will not exceed the value of the least expensive air transportation. Actual mileage includes round trip to destination and travel between visiting site and hotel. Exceptions to this policy may be granted by the applicable authority when it is in the best interest of the Association.

(3) **Rental Cars.** Prior to rental of a car, consideration should be given to its required use and other transportation alternatives. Members should request economy or compact sized cars, except when three or more members are traveling together.

- (a) **Rental Agreements.** Rental agreements provide several options to the renter. Please check with the National office for waivers that should or should not be taken when renting a car.
- (b) **Accidents.** In the event of an accident, local rental and law enforcement authorities must be promptly notified.
- (c) **Payment.** Payment for rental cars is the responsibility of the individual. No attempt may be made to bill Association directly.
- (d) **Receipts Required.** The itemized rental receipt along with the actual payment receipt are required to be submitted.

- (4) **Other Transportation.** Often the nature or place of the trip indicates that taking taxis, airport limousines, or hotel courtesy cars is most economical, and negates the need for rental cars.
 - (a) **Taxis.** Taxis are an alternative to the use of rental cars and should be used, when appropriate.
 - (b) **Limousine Service.** Most airports offer this means of transportation for commuting between the airport and downtown areas or motels. It is usually less expensive for groups than taxis and may be substituted for rental cars, when appropriate.
 - (c) **Public Transportation.** Many metropolitan areas have a variety of forms of public transportation. Association volunteers and employees are encouraged to use these systems, when appropriate.

- d. **Lodging.** Association volunteers and employees will be reimbursed for the actual cost of reasonable accommodations for approved travel.
 - (1) **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 expense reimbursement request. For trips where weekly or monthly rates are available and favorable, this must be clearly shown on the expense reimbursement request. Members are expected to seek lodging in the proximity of the visiting location to minimize the cost of local transportation.
 - (2) **Receipts Required.** The itemized hotel bill is required to be submitted.

- e. **Cancellations.** As requirements and plans change, it is understood that not all schedules may be met. Particularly expensive to the Association are the payments for lodging held on reservations when "no-shows" occur. Only in the most unusual circumstances will the "no-show" be considered a proper expense. The traveler has the responsibility to cancel reservations.

- f. **Meals.** Association policy provides for reimbursement of actual meal expenses, including tips, up to but not to exceed daily limit of \$50.00. Higher daily meal allowances may be approved by the Board of Directors in high cost areas.
 - (1) When meals are consumed at home before/after travel, on airline, or provided by the customer, or another member of the Association, it is expected that the full daily rate will not be needed.

- (2) Each meal must be specifically and separately reported on the Expense Reimbursement Request Form.
- g. **Telephone Calls.** Actual expenses for Association calls, safe arrival calls, and calls to family will be reimbursed to individuals traveling on approved Association business.
 - (1) **Receipts Required.** Proper receipts must be attached to the expense reimbursement request to substantiate the expense (e.g., itemized hotel bill or actual telephone bill).
- h. **Non-Reimbursable Travel Expenses.** The Association will not reimburse volunteers and employees for personal expenses such as: traffic citations, cost of clothing, personal medical expenses, valet, entertainment, losses of personal property, personal grooming expenses, movies, individual or group bar expenses or any other personal expenses.
 - (1) **Spouse/Friend/Family Member.** Additional costs incurred when a spouse/friend/family member accompanies a person on an Association business trip are not reimbursable.
 - (2) **Personal Travel in Conjunction with Association Travel.** Expenses incurred that are not attributable to the Association's business are not to be included on an expense reimbursement request form.
- i. **Miscellaneous Reimbursable Expenses.** Other reasonable and necessary reimbursable expenses related to Association business activities may include: supplies, tips, passport fees, postage, shipping, equipment rental, printing and copying.

E. Failure to Follow Financial Policies.

- 1. 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 the Treasurer shall be notified.
- 2. The non-compliant person shall be notified in writing by the President or the Treasurer either by delivery in person or by regular mail of the noncompliance and shall be requested to comply by a reasonable date.
- 3. If the non-compliant person fails to comply by the date certain, a second letter from the President or the Treasurer shall be delivered in person or by certified mail, return receipt requested. If sent by mail, the letter shall be considered delivered on the third day after it is placed in the U.S. mail, with sufficient postage and the correct address of the addressee. The letter shall demand compliance within fifteen (15) days after the letter is delivered or the non-compliant person shall be automatically

considered in bad standing, removed from appointive office, and prohibited from participating in any Association activity.

4. If there is further non-compliance, the non-compliant person shall automatically be considered in bad standing, removed from appointive office, and prohibited from participating in any Association activity.

F. **Budgetary Process**

1. **General Policy**

- a. **Sponsorship Income.** Only income that is contractually "in hand" shall be projected as from non-members income.
- b. **Registration Income.** Previous year's player registration shall be used for projecting income from player registrations for the next fiscal year.

2. **Initial Budgets**

- a. **Generation.** The next fiscal year's budgets of all officers, programs, committees and offices of the Association shall be initially generated by the Association's Treasurer and Association staff.
- b. **Distribution.** These initial, line item budgets shall be submitted to the officers, program directors and committee chairpersons for review, proposed revision and comment.
- c. **Proposed Changes.** The Treasurer shall provide a reasonable deadline for the submission of proposed changes to the initial budgets. Any proposed change must contain:
 - (1) the full, initial budget for the program, office, committee or individual;
 - (2) the requested change;
 - (3) the budget totals for each line item as modified; and
 - (4) a detailed explanation and justification for each requested change.
- d. **Failure to Submit Change.** The failure to submit proposed changes shall result in the initial budget being the maximum budget of the officer, office, program or committee.

3. **Budget Committee.**

- a. The Treasurer shall compile and present a proposed budget for the Association, including suggested changes of departments, to the Budget Committee no later than prior to the Association's Board of Directors' Meeting for the month of March.
 - b. The Budget Committee shall review the proposed Budget, propose changes and report to the Association's Board of Directors at the Board of Directors meeting scheduled for the month of April.
4. **Association Board of Directors.** The Association Board of Directors shall review the proposed Budget and shall report its recommended changes to the Treasurer. If there are no recommendations for change, the Board of Directors shall vote to approve the Budget.
- a. **Changes Recommended.** The Treasurer shall present the recommended changes to the involved parties for alteration. The revised proposed Budget will be presented to the Board of Directors for review and approval at the next scheduled meeting.
5. **Distribution of Approved Budget.** The Treasurer shall provide copies of the final budget, as approved by the Board of Directors, to all appropriate members.
7. **Budgetary Controls.** Departments shall be held accountable for operating within their approved Budgets and shall be held personally liable for any unauthorized expenditures or expenditures over their total budgeted amount.
8. **Budgetary Amendments.** Once the Budget has been approved by the membership, as represented on the Board of Directors, any changes to the budget must be accomplished through the budget amendment process.
- a. **Contents of Requests for Amendment.** Requests for budget amendments shall contain:
 - (1) the full, original Budget as approved by the Board of Directors for the department;
 - (2) the requested change,
 - (3) the budget totals for each line item as modified;
 - (4) a detailed explanation and justification for each requested change, including how well the proposed program meets the goals and objectives established by the Board of Directors and the Membership; and
 - (5) a statement identifying the source of funds to fulfill the requested increase.

- b. **Funds Allocated for Specific ODP Events.** Funds allocated for specific Olympic Development events may not be reallocated without a budget amendment.
- c. **Request Submission.** Each request shall be first submitted to the Treasurer. The Treasurer in turn shall provide each requested amendment to the Budget Committee for review and recommendation. All forms or paperwork pertaining to the budget amendment process must be on a different color paper than the original budget so that amendments can be easily recognized and identified.
- d. **Budget Committee.** The Budget Committee shall in turn submit its recommendation to the Board of Directors which shall have the responsibility for final approval.
- e. **Board of Directors.** Upon the receipt of the proposed budget amendment and recommendation from the Budget Committee, the Board of Directors shall consider the amendment at its next scheduled meeting. In the event that urgency is required, the meeting may be by telephone conference or other telecommunication media.
- f. **Treasurer and Association Staff.** The Treasurer and Association Staff shall provide copies of the Budget Amendment, if approved, to all members in possession of the original Budget. This printing shall be in a color contrasting to the color of the original budget package.