New York State West

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Financial Policies and Procedures

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GENERAL

Purpose

The purpose of these Financial Policies and Procedures is to provide consistent application of sound financial practices and to insure proper internal controls to safeguard the New York State West Youth Soccer Association, Inc. (NYSW) assets while performing the duties as described in NYSW's bylaws, policies and procedures.

These Financial Policies and Procedures are designed to ensure that management completes their collective financial duties with the least amount of risk.

Guiding Principles

These Financial Policies and Procedures shall be 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:

- Reliability of financial reporting
- Effectiveness and efficiency of operations, and
- Compliance with applicable laws and regulations."

Scope

The Financial Policies and Procedures contained herein govern all programs and activities of NYSW in all cases in which they are applicable and in which they are not inconsistent with the NYSW Bylaws, State Policies and State Procedures.

Responsibility

The State Office, with oversight by NYSW's Treasurer, shall process and handle the receipt of all income and payment of all expenses of NYSW. The financial responsibilities of NYSW shall be divided among the State Office personnel and the Treasurer of NYSW as defined in these policies.

Charitable Status

All funds raised and dispersed in the name of the New York State West Youth Soccer Association, Inc. (NYSW) must be within the acceptable practices of all 501 c (3) tax exempt organizations.

CORPORATE FINANCIAL RISK POLICY

Bonding

All Board Members and employees of NYSW shall be bonded for the faithful performance of their duties in such amount and with such sureties as the Board of Directors determine. Such insurance coverage shall be paid for by NYSW.

Execution of Documents

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All deeds, leases, transfers, contracts, bonds, notes, and other obligations authorized to be executed by an officer of the Corporation, in its behalf, shall be signed or authorized by the President, Treasurer or Executive Director, except as the Board of Directors may generally or in particular cases otherwise determine.

Capital Expenditures

All purchases of property or asset with a value of $500 or more shall be treated as capital expenditure in the NYSW financial records. All capital expenditures must be approved by the President or Treasurer. Capital expenditures in excess of $2,500 must also be approved by the Board of Directors.

Disposition of Property

Surplus, damaged, outdated property and assets of NYSW with nominal or no value may be disposed of by the State Office Manager as approved by the President or Treasurer.

Unused or unneeded items with a fair market value in excess of $500 may be donated to another charitable organization or sold as determined by the State Office Manager with the approved by the President or Treasurer. Disposal of assets or property with a fair market value of $5,000 or more must be approved by the Board of Directors.

In the event of the dissolution of the Corporation, all property and assets available after the settlement of all liabilities shall be turned over to a charity or charities as determined by the Board of Directors at the time of dissolution. Such disposition shall be in accordance with the provisions of New York State general laws.

Insurance Coverage

NYSW shall maintain insurance coverage as described below:

- **Property Insurance** – equal to greater than the replacement cost of the state office and/or all improvements and all state property, assets, equipment, furnishings and supplies.
- **General Liability** - $1 million per occurrence or more.
- **Umbrella Liability** - $5 million or more
- **Officers and Directors Liability** - $1 million or more.
- **Crime Insurance** - $25 thousand per occurrence or more.
- **Automobile Liability and Damage**- $1 million or more.

Self Approval

When approval is required within these Financial Policies and Procedures, the approval must be provided by a second party and not the party seeking approval. I.E. No one may approve their own expenses.

EXPENSE REIMBURSEMENT POLICY

General Policy

The NYSW Board of Directors, volunteers, contract personnel and employees shall be reimbursed for actual, reasonable and proper expenses incurred in the conduct of approved NYSW business. The NYSW's Board of Directors, volunteers, contract personnel and employees should not be penalized nor should they profit by adhering to stated NYSW policies with respect to expense reimbursements.

These policies are applicable to all members of the Board of Directors, all volunteers, contract personnel and employees of the

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NYSW. All levels of management are responsible for informing their volunteers, contract personnel and employees about NYSW policies and procedures for expense reimbursement.

Responsibility of Persons who Submit or Approve Expense Reimbursement

Any person with expense reimbursement approval authority must fully realize that their signature on an expense report indicates conformity to NYSW policy, that legitimate and necessary expenses have been incurred, and that all items on the expense report are properly reimbursable to the submitter of the report.

The submitter and the person with approval authority approving the report have equal responsibility for its correctness and to ensure all expenditures are in agreement with NYSW policy.

Approval

Any person seeking reimbursement must first obtain approval from the manager of the program or event responsible for the expenditure or from the Treasurer or President.

Specific Requirements

• **Expense Reimbursement Form** An expense reimbursement form created by the State Office and approved by the Board of Directors must be utilized by anyone requesting reimbursement from NYSW. Upon completion with the date, signature, details and attached receipts and invoices, it should be submitted to the State Office or the appropriate person responsible for approval within thirty (30) days of incurring the expense.

• **Documentation Required** Expenses will be paid only as a result of documentation which includes a valid itemized receipt and a written stated purpose for the expenditure supporting the expense. Such documentation shall include the NYSW Expense Report with proper attachments, invoices or other billing as directed by this policy.

• **Business Meetings and Conferences** When expenses are submitted for attendance at NYSW business meetings, conferences, and meals with guests, the submitting individual should indicate on the expense report the nature of the meeting, the attendees, and other information necessary to support the expense.

• **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 reimbursement of expenses should be returned to the NYSW.

• **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. NYSW volunteers, contract personnel and employees should request any available discounts for vehicle rental, lodging, meals and air travel.

• **Receipts** For reimbursement purposes, itemized receipts for expenditures exceeding $15.00 must be attached with any request for reimbursement.

• **Cellular Telephone** Additional charges for use of a personal telephone for state business will be reimbursed. Detailed billing with such calls clearly marked is required to be attached to the Reimbursement Expense Report.

• **Long Distance Charge** Actual funds expended to conduct NYSW business from a personal phone will be reimbursed. Detail billing with such calls clearly marked is required to be attached to the Reimbursement Expense Report.

• **Meals** Actual funds expended for meals while attending meetings or events on NYSW business will be reimbursed. The actual expenditure must be within the

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published guidelines established by the Treasurer. If the monies are expended for cost of affiliate members, event staff or volunteers. A list of all others at the meals and the purpose of the charge must be submitted.

• **Supplies, Materials, and Other Items** Actual funds expended while hosting meetings, participating in state events or staffing a state programs. Every effort should be made to obtain needed items from the State Office prior to the activity. Reimbursable expenses include, but are not limited to meals for volunteers, event or program supplies (ice, non-alcoholic beverage, string, markers, posters, etc.) Expense must be for items that NYSW would purchase in the ordinary course of business for the meeting, program or event.

• **Entertaining/Promotion Expenses** From time to time, Board members may be called upon to entertain visitor, guests and others for the promotion of NYSW and NYSW activities. Reasonable expenses for such actives can be reimbursed if approved in advance by the President or Treasurer.

• **Mileage** Use of a personal vehicle to travel to and return from a NYSW activity in excess of 20 miles each way shall be reimbursed at the current IRS mileage reimbursement rate. Not included is any independent contractor travel to and from program events that are involved in. Any exception needs approval by the President, Treasurer, or the Board of Directors.

• **Stationary, Copies, Postage, and Other Supplies** Ordinary and usual expenses incurred by Board members to perform their duties for NYSW will be reimbursed provided proper itemization and receipts are submitted with an Expense Reimbursement Form.

• **Additional Charges** No other charges will be reimbursed unless prior approval from the Board of Directors is obtained. These other charges include, but are not limited to, dry cleaning, laundry, alcohol, entertainment, barber, beautician or personal services.

TRAVEL EXPENSE POLICY

General Policy

• **Authorized Traveler** NYSW will reimburse Board members, volunteers, contract personnel and employees for reasonable and proper expenses incurred in connection with traveling and living away from home in the conduct of approved NYSW business.

• **Authorized Travel** Each business trip must be properly authorized in advance by the President, Treasurer, or Board of Directors. The purpose for the trip and expenses incurred must be documented and properly reported on a NYSW Expense Reimbursement Form.

• **Travel Arrangements** The State Office will generally make all arrangement for authorized travel to regularly schedule national, regional and state events including transportation and lodging. The reservations should be made through national travel service providers such as Expedia, Travelocity, Orbiz, et cetera or an approved travel agency by the State Office. The State Office can allow individual authorized travelers to make their own arrangements and the traveler can be reimbursed provided the arrangements are in compliance with these policies and procedures and the expenses are for authorized travel.

Mode of Transportation

Air Travel

• **Cost** The mode of transportation should be dictated by the relative least expensive way to travel. Where possible, air travel should be booked in advance to reduce costs.

• **Coach Class Required** Air travel will be “coach” class. Reservations should be made as early as possible to take advantage of the cheapest fares available.

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• **Air Bonus Mileage Awards (Frequent Flyer Miles)**The bonus mileage awards accrued by travel at NYSW's expense will be the personal property of each traveler to be used as they see fit.

Personal Automobile Travelers may elect to drive a personal automobile between home and airport, bus or train terminals or to travel destinations.

• **Reimbursement for Mileage** NYSW mileage reimbursement shall be for the actual mileage driven in excess of 20 miles each way, at the standard mileage rate as allowed by the Internal Revenue Service for the current calendar year. Such rate will be provided by the State Office. This rate includes the cost of gas, insurance, use, maintenance, and depreciation.

• **Parking and Tolls** Parking fees and tolls will be reimbursed in addition to mileage.

• **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 event site and hotel. Exceptions to this policy may be granted by the applicable authority when it is in the best interest of the NYSW.

• **Rental Car** Prior to rental of a car, consideration should be given to its required use and other transportation alternatives. If a rental car is needed, the State Office will reserve the car with a travel service. The State Office may authorize travelers to make their own arrangements provided the traveler advises the costs of their rental prior to using the car.

• **Rental Agreements** Rental agreements provide several options to the renter. Please check with the State Office for waivers that should or should not be taken when renting a car for individual rentals.

• **Accidents** In the event of an accident, local rental and law enforcement authorities must be promptly notified.

• **Receipts Required** An itemized rental receipt and the actual payment receipt are required to be submitted for reimbursement.

• **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.

• **Taxi** Taxis are an alternative to the use of rental cars and may be used appropriately.

• **Limousine Service** Most airports offer this means of transportation for commuting between the airport and downtown areas or motels. This mode of transportation may be substituted for taxis or rental cars if costs are equal to or less than same.

• **Public Transportation** Many metropolitan areas have public transportation systems, the use of which is encouraged when appropriate.

Lodging

Travelers authorized by NYSW 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 expense reimbursement request. For trips where weekly or monthly rates are available and favorable, this must be clearly shown on the Expense Reimbursement Form.

• **Proximity** Travelers are expected to seek lodging in the proximity of the visiting location to minimize the cost of local transportation. Persons traveling on NYSW business may share a double room, however, no traveler can be forced to share a room.

• **Receipts Required** An itemized hotel bill is required to be submitted.

• **Additional Charges** No other hotel charges will be reimbursed unless approval from the Board of Directors is obtained prior

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to the event which the NYSW's authorized traveler attends. These other charges include, but are not limited to, dry cleaning, laundry, alcohol, bar charges, in-room mini bar charges or in-room movies.

Meals

Actual funds expended for meals while attending meetings or events on NYSW business will be reimbursed. If the monies are expended for cost of affiliate members, event staff or volunteers. A list of all others at the meals and the purpose of the charge must be submitted.

Other

• **Cancellations** As requirements and plans change, it is understood that not all schedules may be met. Only in the most unusual circumstances will the "no-show" be considered a proper expense. The traveler has the responsibility to cancel reservations.
• **Spouse/Friend/Family Member** Additional costs incurred for a spouse/friend/family member accompanying an authorized traveler are not reimbursable.
• **Personal Travel in Conjunction with NYSW Travel** Expenses incurred which are not attributable to NYSW business are not to be included on the Expense Reimbursement Form.
• **Miscellaneous Reimbursable Expenses** Other reasonable and necessary reimbursable expenses related to NYSW business travel activities may include: supplies, tips, passport fees, fax charges, telephone charges, temporary Internet connection fees, and postage or shipping.

RECIEPT OF INCOME POLICY

Opening Mail and Collecting Financial Receipts Procedure.
• A NYSW employee shall open all mail and stamp a restrictive endorsement on the back of any checks.
• Checks and financial receipts shall be recorded and deposited in the NYSW bank operating account on a daily basis.
• A NYSW employee other than the depositor will record the deposit in the NYSW accounting system (books), on the day of deposit. The record must clearly identify the source of the income and purpose for with it was received.
• A copies of the daily deposit shall be provided to the Treasurer on monthly basis and on request.
• No cash will be accepted by the State Office.

Collecting Funds/Goods Due to NYSW Procedure
• A NYSW employee shall track and insure the receipt of all monies due to the NYSW. I.e. player registration, insurance and pass fees, sponsorship funds, national allocations, in kind sponsorships etc.
• Upon receipt of monies, such funds shall be handled as described above.
• For in kind items, the amounts and descriptions must be recorded in the accounting system as well as the program or service for which the in kind items will be used.
• Monthly, a NYSW employee must notify the Treasurer of any outstanding receivables not received.

Non-Sufficient Funds Checks
• A NYSW employee shall maintain a record of all NSF checks
• A letter shall be sent to the originator of the NSF check from the state office informing them of the returned check, the amount owed, including all additional fees. The fees charged will be established by the Treasurer with Board approval.
• In the event that the originator does not respond within 30 days, a second letter shall be sent to the originator indicating that they are in bad standing and they may not participate in NYSW activities until this status has been reviewed by the Board of Directors.

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• Dates of the above correspondence and the date of the replacement check shall be tracked and the Board of Directors notified of all NSF check originators who are in bad standing.

PAYMENT OF EXPENSES FROM OPERATING ACCOUNTS POLICY

Expenses will be paid from the operating accounts according to the procedures outlines as follows:

Receipt of Bills, Invoices, etc. Procedure

• All bills must be sent to the State Office.
• Bill may be mailed, hand delivered, faxed or electronically transmitted.
• Bills must clearly state the nature of the expense

Approval of Bills, Invoices, etc. Procedure

• **Normal Recurring Operating Expenses** Bills for normal corporate operations: i.e., utilities, payroll, telephone, rent, on-line services, tax liabilities etc. may be paid without specific approval.
• **Non-Operating Expenses** Other bills, invoices, compensation or requests for reimbursement of expenses must be approved in writing by the officer, director or staff member authorized to expend funds for the applicable program prior to payment.
• **Adequate Documentation** Sufficient documentation must be attached to all other bills to properly describe the obligation and the purpose for which the obligation was incurred. i.e. – trophies for the State Open Cup, US Youth Soccer Coaching Booklets for resale to members.
• **Individuals Compensated, Information to be provided to NYSW** All individuals providing a service which is compensated by NYSW must provide name, address, and social security or E.I.N. to the State Office for the purpose of filing IRS Form 1099. No compensation may be paid, if such information is absent. Documentation for such expenses must include specific documentation as to the service provided and the written signature of the person contracting for the service.

Generation of Checks on Operating Accounts Procedure

• Upon approval, State Office personnel will generate a check for the amount approved, obtain signatures on the check, and mail the payment to the vendor.
• All checks presented for signing must have documentation supporting the approved amount. Documentation will include an approval form with signature of the approving person and an original invoice, which is being paid.
• State office personnel will retain a copy of all bills, along with a copy of the remittance advice, in the State Office.
• Checks for payment of expenses shall be written by State Office personnel only and signed by the Treasurer, President or others authorized by the Board of Directors if the amount of the check does not exceed $1,000.00.
• For checks exceeding $1,000.00, two signatures are required unless the check is for “normal recurring operating expenses” as defined above. I.E. salary, tax deposits, benefit expenses and rent.
• Should the checks require two signatures, State Office personnel will obtain the second signature as efficiently as possible.
• The signer of a check not requiring two signatures may not be the payee, the approver or the preparer of the check. Dual control must be maintained for all checks.
• Should the Treasurer reside outside the city in which the State Office is located the following procedure will be adopted:
- On a periodic basis, State Office personnel will send checks requiring signature including a copy of the approval form, a

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copy of the approved bill, and a stamped envelope addressed to the payee, to the Treasurer for signature and disbursement.
- Should the checks require two signatures, State Office personnel will obtain the second signature as efficiently as possible prior to submitting to the Treasurer. The Treasurer will sign the checks, place in the stamped envelope and mail.

Payments on Over Budget Items

Payments may be made on payables, which are not covered by the approved Budget. Payment of these debts shall be made either by the individual creating the unauthorized payable with the approval of the President or Treasurer or with the approval of the Board of Directors.

CREDIT CARD POLICY

General Policy

Credit cards have become a way of life and NYSW is no exception. Board members and staff 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. The credit card usage is authorized to reduce the need to provide cash advances for duties or travel necessary to be carried out in the performance of NYSW duties. Credit cards will be provided to those that are approved by the Board of Directors. A listing of who is approved will be maintained in the State Office. All charges must be approved and documented in the same manner as required for checks written on operating accounts or expense reimbursement policy. (See above)

Credit Card Procedures

• All credit cards will be issued in the name of the New York State West Youth Soccer Association, Inc.
• Personnel will maintain the credit card in a secure location and will provide vendors with the applicable credit card information
• All charges must be in compliance with the provisions of the Financial Policies and Procedures define herein.
• The billings from the credit card company shall be mailed directly to the State Office, which in turn shall send payment to the credit card company on a timely basis to avoid any and all interest charges.
• Credit card usage will be permitted on the condition that it will only be used for reasonable, necessary, and documented NYSW expenditures and never under any circumstance for personal use.
• Credit card users are required to submit all credit card receipts for accountability and verification of charges made within 20 days of the actual expense. When meals are charged to the card, a complete itemization of the bill is required, without exception. In those rare instances, where a receipt has been lost, reimbursements without receipts will be rejected unless a written letter signed by the submitting party accompanies the reimbursement form explaining the nature of the charge.
• For persons failing to comply with the reporting requirements, the State Office shall follow the procedures as outline here for Failure to Follow Policy.

Responsibility of Expenses

The annual fees for the credit card shall be paid by the State Office.

OPERATING AND INVESTMENT ACCOUNTS POLICY

General Requirement of All Accounts

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Type of Accounts NYSW maintains the following types of accounts: Operating accounts as approved by the Board of Directors for the receipt of all income and the payment of all expenses; and Investment accounts for generating income on funds not required in ordinary operations of NYSW.

Name of Accounts All accounts, including program and investment bank accounts, must be primarily titled in the name of the New York West Youth Soccer Association, Inc. Secondary titles must specify the purpose/use of the account.

Location of Accounts Operating accounts must be held in financial institutions insured by the Federal Deposit Insurance Corporation (FDIC) or by another federally insured institution. All accounts must be in financial institutions maintaining an office or branch within the county where the NYSW State Office is located unless approved by the Board of Directors. Investment accounts must be located in institutions approved by of the Board of Directors.

Maximum Balances in a Financial Institution.
Without the approval of the Board of Directors, the amount deposited in a financial institution shall account shall not exceed the maximum insurable amount as provided by the FDIC.
Operation of Accounts Accounts shall be opened and operated to insure funds are managed under acceptable practices of all 501 c (3) tax-exempt organizations.

Operating Accounts

Operation of Accounts The operating accounts of NYSW shall be maintained by State Office personnel only and the records maintained in the State Office.

Receipt of Funds All income from members, programs, events, activities, operations and any other income from sales, sponsorships, allotments, in kind fees, and donations shall be recorded and/or deposited into these accounts.

Expenditures All expenditure of funds for expenses or any other purpose shall be paid by check drawn upon these accounts. However, transfer of funds from operating accounts to investment accounts may be transferred electronically provided the accounts are in the name of the NYSW.

Investment Policy and Accounts

Statement of Purpose The Board of Directors of New York State West Youth Soccer Association (NYSWYSA) has established an Investment Committee to oversee the investment of the Association's assets. This committee shall manage the investments of NYSWYSA in accordance with the investment policies contained in this document.

Statement of Investing Objectives: The NYSWYSA investment program shall be based on the following principles:

- Investments with a 5 year or less horizon
  - Stability shall be a primary objective
  - Stability is defined as: Return of original principal upon maturity
  - Assets to be invested in laddered fixed income or cash equivalent investments with no less than investment grade rating.
  - Individual fixed income vehicles (bonds, CDs, money market) shall be used.
  - Fixed income mutual funds shall not be used

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- Investments with greater than 5 year horizon
  - Safety shall be a primary objective
  - Safety is defined as: At a minimum, the Potential to keep pace w/inflation
  - Asset allocation & diversification are the most critical components for moderating risk and providing moderate returns.
  - Assets may be invested in a combination of fixed income and equity investments
  - To maximize diversification and reduce risk, it is recommended that an independent third party professional money manager(s) be used for equity investments.
  - Dividend-paying equity investments shall be a priority, but not a requirement
  - Target allocation with low-to-moderate risk to be recommended by a financial advisor

- Liquidity shall be a primary consideration for all investments

- Cost of Investing
  - Consideration of fee-based and/or commission-based investment brokers shall take into account both the long-term costs of investing and the expected ability of the brokers to meet NYSWYSA's objectives

Asset Allocation Strategy The asset allocation policy established for the Association's investment portfolio should reflect the Investment Committee's desire to maximize returns consistent with prudent levels of risk.

At least annually, the Investment Committee will undertake a review of the NYSW asset allocation. Such review will consider long term expected risk and return of various asset classes.

Investment Guidelines and Restrictions
The following are the guidelines and restrictions for equity managers unless prior written approval of the Investment Committee is granted:

- Equity holdings in any single security shall not exceed 10% of the equity portfolio.
- Due to their high inherent risk, the following investment vehicles shall not be used within the NYSWYSA investment portfolio
  - Margin purchases
  - Stock option trading
  - Common stock in non-public corporations
  - Short sales of any type
  - Letter or restricted stock
- The following are not permissible fixed income transactions, unless prior written approval of the Investment Committee is granted:
  - Tax-exempt bonds
  - Fixed income derivatives
  - Unrated corporate bonds
  - Master notes, unless the public debt of the issuer is rated at least "BBB" or the equivalent.
  - Direct placement of mortgages on real property
  - Letters of credit guaranteed by the Fund
  - Guaranteed Investment Contracts (GIC's)
  - Bonds, notes or other indebtedness for which there is no public market (i.e. private placement investments) unless the maturity of such indebtedness is less than one year
  - Leveraging the portfolio

Investment Performance Standards
Investment manager performance shall be evaluated over a five year time horizon by comparing investment results against NYSWYSA's stated goals & objectives.

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The Investment Committee shall undertake a formal review of each manager at least annually.

Hiring and Termination of Managers

- All potential and existing managers shall be established firms with:
  - Good results over long term
  - Consistent investment disciplines
- Multiple investment managers may be added to provide appropriate diversification.
- The formal decision to hire an investment manager is the responsibility of the NYSWYSA Investment Committee, after approval from the NYSWYSA Board of Directors
  - Every 5 years a formal review of the current investment managers shall be conducted and bids shall be solicited from other interested investment managers. The current investment manager(s) shall be eligible to bid provided they remain in good standing with NYSWYSA.

- An investment manager may be terminated at any time at the discretion of the Investment Committee, which will consider various factors including, but not limited to, the actual performance of the investment manager.
- The Investment Committee will not do business with a firm that has representation on the board of NYSW.

FINANCIAL RECORDS AND REPORTING POLICY

Records (Books)

Chart of Accounts The State Office and the NYSW Treasurer will create and maintain a chart of accounts which reflect all line items in the Budget.

Accounting Records The State Office shall maintain an electronic accounting system to record the receipt of all income and the expenditure of all monies (the Books).
• All income shall be recorded as received in the accounting system.
• All checks must be generated with the accounting system.
• The accounting system must be updated annually to insure the accuracy of all accounting rules and the use of the most current Federal and State tax tables..
• The State Office shall keep and maintain records of all of the accounts of the NYSW and shall make back up copies.
• The Treasurer will be provided with copies of the records upon request.
• The Treasurer will be provided with complete copies of all operating and investment accounts and will review the reconciliation of the accounts to the accounting system records.

Financial Records The State Office shall maintain the corporate financial records to include but not be limited to:
• All bills, receipts and other documentation for the writing of checks or other reimbursements.
• All remittance advises and other documentation for the receipt of funds.
• All bank statements, bank statement reconciliations, bank correspondence and other records of transactions from financial intuitions
• All investment records including records of deposits, withdrawals and transfers.
• All federal, state and local tax reports, returns, correspondence and information received or transmitted.
• All in kind records of orders, receipts, and other information from sponsors/donors and
• Any and all other financial records including but not limited to contracts for

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Financial Policies and Procedures

goods or service, records of assets acquired, evidence of insurance coverage and policies.
• Financial records should be maintained in accordance with the state laws. Records should not be destroyed until after the length of time required by either state or federal IRS laws.

Reporting

Records of Year Month-to-Date Financial Activity in Comparison to Budget The Treasurer will create and report, on a monthly basis, to State Board of Directors.
• YTD Statement of Income and Expense
• Prior Month Ends Statement of Assets and Liabilities
• YTD Comparison of Actuals to Budget.
• After each board meeting, the Treasurer shall submit the above reports for publication to the NYSW web site.

General Ledger Reports The Treasurer shall provide upon request a copy of the General Ledger Report each month to members of the Board of Directors.
(This report will include each check written and each deposit made for the previous month).

Program Income and Expense Statements The Treasurer will prepare and submit to the Board of Directors financial reports detailing the Income and Expenses of State Programs as requested by the Board from time to time.
Annual Financial Statements The Treasurer will prepare and submit to the membership at the annual general meeting, financial statements approved by the Board of Directors. These statements shall include a year-end Balance Sheet, a copy of the most recent Accountant's Review Report and a year-end Income Statement along with any other financial statements deemed applicable.

Extra-Budget Expenses The Treasurer and the President shall be contacted immediately whenever any extra-budgetary expense is received or any program, service or event exceeds its Budget.

Absence/Incapacity of Treasurer In the event of the absence or incapacity of the Treasurer, the President shall prepare the necessary reports as provided above.

Review/Audits

• **Accounts** All accounts of the NYSW shall be audited or reviewed annually by an independent certified public accountant (CPA) who shall be engaged by the Treasurer with the approval of the Board of Directors.
• **Review/Audit Examination Results** The results of all audits or reviews shall be provided to the Board of Directors and each Affiliate of the NYSW.

BUDGET POLICY

Initial Budget

• Program Managers shall submit a proposed line item budget by General Ledger Account and by month for each program that they administer on June 1st.
• The initial next fiscal year's budget shall be generated by the June 30th.
• The budget should take in to consideration the long range objectives of the NYSW and any input received from board and staff members.
• These Initial, line item Budgets shall be submit to board members for review, proposed revision, and comments for a period not to exceed twenty (20) days.

Preliminary Budget

New York State West

PO Box 1247, Corning, NY 14830
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• A revised Preliminary Budget shall then be submitted to the Board of Directors at there schedule meeting in August.
• The Board of Directors shall approve a Final Preliminary Budget prior to the Annual State Membership Meeting.
• The Final Preliminary Budget shall be used until an Official Budget can be prepared and approved by the Membership.

Official Budget

• Within thirty (30) days of the end of the fiscal year, the Treasurer shall prepare a Final Budget for approval of the Board of Directors at the regularly scheduled October Meeting. Upon the Board of Directors approval at the September Meeting copies of the Final Budget will be distributed to the membership.
• Said Final Budget will be adjusted to reflect the results of the prior fiscal year and any other changing business conditions of the corporation.
• Upon approval by the Membership at the Annual General Meeting, the Final Budget as amended will be the Official Budget for the fiscal year.

Amending the Official Budget

• The Official Budget shall be considered a "living document" open to revision to reflect changes in business needs and conditions of the corporation.
• All proposed changes to the Official Budget shall to be submitted to the Treasurer in writing 30 days prior to a scheduled Board of Directors meeting.
1. The budget change document should describe the proposed change and the rational for doing so.
2. If the change is an increase to expenses, a corresponding source of revenue should be identified.
3. The Treasurer shall present the proposal, along with the Treasurer's recommendation, to the Board of Directors for final action.
• If approved by the Board of Directors, the Treasurer shall prepare an Amended Official Budget to reflect the approved changes. The Amended Official Budget will be used in Budget reporting for the balance of the fiscal year.

COMPLIANCE WITH IRS REGULATIONS

The policies, procedures and instructions contained herein are written to conform to current IRS and Federal Government regulations.

FAILURE TO FOLLOW POLICIES

The Credit Card, Travel Expense, and Expense Reimbursement Policy provisions must be adhered to by all persons incurring expenses or receiving reimbursement from NYSW. In the event any Board member, volunteer and employee or any other person fails to comply with these policies, the President and the Treasurer shall be notified immediately in writing by the State Office. The non-compliant person shall be notified in writing by the President or Treasurer either by delivery in person or by email or US Mail of the noncompliance and shall be requested to comply within ten (10) business days. If the non-compliant person fails to comply by the date certain, a second letter from the President or Treasurer by certified mail, return receipt requested.
• 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) business days after the letter is delivered.
• If the non-compliant person fails to comply by the date certain, that person shall be automatically considered in bad standing

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Financial Policies and Procedures

and prohibited from participating in any NYSW activity. The state office shall notify the Board of Directors of all such suspensions.