



## **Financial Policies and Procedures Manual**

New York State West  
Youth Soccer Association, Inc.

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## TABLE OF CONTENTS

Part I: COMPLIANCE WITH IRS REGULATIONS.....	<a href="#">3</a>
Part II: GENERAL.....	<a href="#">3</a>
<i>Section 2.5: Failure to Follow Policies.....</i>	<a href="#">3</a>
Part III: CORPORATE FINANCIAL RISK POLICY.....	<a href="#">4</a>
Part IV: EXPENSE REIMBURSEMENT POLICY.....	<a href="#">4</a>
Part V: TRAVEL EXPENSE POLICY.....	<a href="#">7</a>
Part VI: RECEIPT OF INCOME POLICY.....	<a href="#">9</a>
Part VII: PAYMENT OF EXPENSES FROM OPERATING ACCOUNTS POLICY...	<a href="#">10</a>
Part VIII: CREDIT CARD POLICY.....	<a href="#">11</a>
Part IX: OPERATING AND INVESTMENT ACCOUNTS POLICY.....	<a href="#">12</a>
<i>Section 9.2: Operating Accounts.....</i>	12
<i>Section 9.3: Investment Policy and Accounts.....</i>	13
Part X: FINANCIAL RECORDS AND REPORTING POLICY.....	<a href="#">14</a>
Part XI: BUDGET POLICY.....	<a href="#">15</a>
Part XII: MATTERS NOT PROVIDED FOR .....	<a href="#">16</a>
APPENDIX I: Financial Policies & Procedures Agreement.....	<a href="#">17</a>

# Part I: COMPLIANCE WITH IRS REGULATIONS

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

## Part II – GENERAL

### Section 2.1: Purpose

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

These Financial Policies and Procedures are designed to ensure that the association's tax-exempt status remains in good standing and is not endangered.

### Section 2.2: 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."

### Section 2.3: 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.

### Section 2.4: Responsibility

The State Office personnel, with oversight by NYSW's Treasurer, are responsible to process and handle the receipt of all income and payment of all expenses of NYSW and abide by the internal controls set forth in this document. The financial responsibilities of NYSW shall be divided among the State Office personnel and the Treasurer of NYSW as defined in these policies.

Persons incurring expenses on behalf of the NYSWYSA are responsible for ensuring that all expenses are consistent with Association policies and budgetary constraints. Said persons are responsible for submitting properly completed Expense Reimbursement Forms and attaching valid, dated, and properly documented itemized receipts and/or invoices in a timely manner on a monthly basis.

Any person with expense approval authority must be fully cognizant that their signature on an Expense Reimbursement request form indicates conformity with stated policies, that legitimate and necessary expenses have been incurred, and that all items on the expense form, including properly documented and valid receipts are in order.

The Bookkeeper, Executive Director, Treasurer, and President shall be in constant contact regarding the financial performance of New York State West Youth Soccer Association, Inc.

#### 2.4a) 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.)

### Section 2.5: Failure to Follow Financial Policies and Procedures

All policy provisions must be adhered to by all Board members, volunteers, employees, contracted personnel, and any other person associated with NYSW. In the event any Board member, volunteer, employee, or any other person associated with NYSW fails to comply with these policies, the State Office Bookkeeper shall immediately provide written notification to the Executive Director, Treasurer, and President. Failure to comply with the policies set forth in this document automatically considers the non-compliant person in bad standing, prohibited from participating in NYSW activity, and are subject to suspension or termination from NYSW.

The Executive Director shall notify the Board of Directors of all persons in noncompliance and any such suspensions.

Further details of the policy can be found within Sections [4.5](#), [5.6](#), and [8.4](#). (For State Employees, refer to [Employee Handbook](#) for the full employee policies)

### Section 2.6: 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 501c(3) tax exempt organizations.

## Part III - CORPORATE FINANCIAL RISK POLICY

### Section 3.1: 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.

### Section 3.2: Execution of Documents

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.

### Section 3.3: Capital Expenditures

All purchases of property or assets 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. Any capital expenditure utilized by any Board member or employee of NYSW for business purposes is the property of NYSW. In the event a person in possession of NYSW capital asset no longer holds their position, employment, or office at NYSW, the asset must be turned in to the Executive Director, President, or Treasurer.

An annual inventory of physical assets held, owned, or operated by NYSW shall be conducted by May of each year under the direction of the Executive Director. Inventory lists and reports shall be maintained by the State Office personnel and submitted annually to the Board of Directors.

### Section 3.4: Disposition of Property

Surplus, damaged, outdated property and assets of NYSW with nominal or no value may be disposed of by the State Office Executive Director 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 Executive Director with the approval 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.

### Section 3.5: 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.

## Part IV: EXPENSE REIMBURSEMENT POLICY

### Section 4.1: General Policy

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

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.

Any and all expenses incurred that are deemed unreasonable and unauthorized are prohibited and are the responsibility of the person incurring such expenditures. No reimbursements for unreasonable or unauthorized expenses will be disbursed.

No personal expenses are permitted. No exceptions.

All levels of management, including the President, Treasurer and all other Board members, are responsible for informing their volunteers, contract personnel and employees about NYSW policies and procedures for expense reimbursement.

## **Section 4.2: Responsibility of Persons who Incur, Submit, and/or Approve Expense Reimbursements**

Any person submitting expenses for reimbursement from NYSW are responsible to ensure all receipts relating to NYSW business are documented and attached to the completed Expense Reimbursement Form.

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.

## **Section 4.3: Requirements and Procedures**

### **Approval**

Any person seeking reimbursement must first obtain approval from the Executive Director or President as described below:

- All State employees must seek approval from the Executive Director, and in the absence of the Executive Director, the Treasurer.
- All Board members and the Executive Director must seek approval from the Board President, and in the absence of the Board President, the Treasurer, unless the expense was incurred by the Treasurer, then the 1<sup>st</sup> VP.

### **Expense Reimbursement Form**

Any person who requests reimbursement for expenses associated with NYSW business activities must complete the expense reimbursement form for approval in order to be reimbursed. The expense reimbursement form shall be created by State Office personnel and approved by the Board of Directors.

### **Documentation Required**

Hardcopies of all expense reports, receipts, invoices, bills, etc. must be mailed to the Bookkeeper in order to receive reimbursement. Expenses will only be paid as a result of documentation which includes a valid, dated, itemized receipt and a written stated purpose for the expenditure supporting the expense. Such documentation shall include the NYSW Expense Report with proper attachments, receipts, invoices or other billing as directed by this policy.

### **Receipts**

Receipts submitted for reimbursement are required to be attached to the expense reimbursement form and must be actual, valid, dated and itemized receipts. The purpose for the expenditure must be written on each receipt. Expense Reimbursement forms submitted without proper approval, documentation and receipts will be returned to the submitter in an effort to obtain the required documentation.

### **Submission of Expense Reimbursement Form and Documentation**

The Expense Form and receipts can be sent electronically to seek approval. The person approving the expense must sign the expense form and return to the person requesting the reimbursement within 24 to 48 business hours. The person approving the expense must ensure that proper documentation as per these policies are attached to the Expense form. Once approved, the person who incurred the expense must mail a hardcopy of the approved expense form and all documentation to the State Office bookkeeper to process the reimbursement within thirty (30) days of incurring the expense. Fiscal year-end expense reimbursement requests shall be submitted no later than two (2) weeks after August 31 or at a date specified by the Treasurer.

Any expense reimbursement requests submitted 90 days after the expense was incurred shall require approval of the Board of Directors in order to be considered for processing.

Once the Bookkeeper receives the hardcopies of the approved expense form and documentation, the Bookkeeper shall confirm all is in order before processing the reimbursement. If any part of the request is deemed unreasonable, unauthorized, or a personal expenditure, the State Office Bookkeeper will contact the person who incurred the expense, the person who approved the expense, and the Executive Director. If further action is needed, the Bookkeeper shall provide immediate written notification to the Executive Director, President, and Treasurer.

## **Section 4.4: Specific Requirements**

### **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, Board members, and employees should request any available discounts including, but not limited to, vehicle rental, lodging, meals, and air travel.

## **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, the meeting date and location, and other information necessary to support the expense.

## **Telephone**

Only telephone calls associated with NYSW business are reimbursable or an agreed upon amount by the President and Treasurer will be paid to the Executive Director and Registrar/Office Manager. Detailed billing with such calls clearly marked is required to be attached to the Reimbursement Expense Report.

## **Meals**

Actual, reasonable funds expended for meals while attending meetings or events on NYSW business will be reimbursed.

Reimbursement is not permitted for alcohol.

For all meal receipts, a list of all persons at the meal and the purpose of the charge must be submitted along with the itemized receipt. The itemized meal receipt must include all the meals and other items purchased during the meal.

## **Supplies, Materials, and Other Items**

Actual funds expended while hosting meetings, participating in state events or staffing 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 and/or key State Office employees may be called upon to entertain visitors, guests, and others for the promotion of NYSW and NYSW activities. Reasonable expenses for such activities 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 shall be reimbursed 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.

The following items must be included in the documentation: Total number of miles (trip odometer reading), purpose of the trip, trip date, trip starting location and destination location, and others travelling with you.

Trips outside of everyday Association business need to be pre-approved. (See [Travel Expense Policy](#))

Not included is any independent contractor travel to and from program events they are involved in.

Any exception needs pre-approval by the President, Treasurer, or the Board of Directors.

## **Stationary, Copies, Postage, and Other Supplies**

Ordinary and usual expenses incurred by Board members or State Office employees to perform their duties for NYSW will be reimbursed provided proper itemization and dated 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.

## **Section 4.5: Failure to Follow Financial Policies and Procedures**

In the event any Board Member, volunteer, contract personnel, employee or any other person of the Association incurring expenses, submitting for reimbursement, or approving reimbursement fails to comply with the financial policies and procedures, the State Office Bookkeeper shall immediately provide written notification to the Executive Director, Treasurer, and President and the following procedure shall be followed:

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 seven (7) business days.

If the non-compliant person fails to comply by the date certain, no reimbursement payment will be disbursed and if the person is an authorized user of the organization credit card, that credit card account shall be suspended by the State Office with authority from the Treasurer and President. (See [Credit Card Policy](#))

If the non-compliant person fails to comply by the date certain of the first letter, a second letter from the President or Treasurer shall be sent to the non-compliant person 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, and/or habitually (at least two months) violates the policies and procedures set forth within this document, the non-complaint person shall be automatically considered in bad standing, prohibited from participating in any NYSW activity, and be subject to suspension or termination from NYSW. (For employees, refer to the [Employee Handbook](#) for the full employee policies)

## Part V: TRAVEL EXPENSE POLICY

### Section 5.1: General Policy

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

#### Authorized Traveler

NYSW will reimburse Board members, volunteers, contract personnel, and employees for actual, 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 requiring an overnight stay, out-of-state travel, and/or hired transportation (air travel, train, bus, rental car, shuttles, Lyft/Uber, etc.) 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 personnel will generally make all arrangements for authorized travel to regularly scheduled national, regional, and state events including transportation and lodging. The reservations should be made through national travel service providers such as Expedia, Travelocity, and Orbitz, 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.

(See Sections 4.1, 4.2, 4.3, and 4.4 above for [Expense Reimbursement](#) policies)

### Section 5.2: 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.
- **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, provided the vehicle carries insurance coverage as required by law and driver has less than two points on driving record.

- **Reimbursement for Mileage** NYSW mileage reimbursement shall be for the actual mileage driven for business purposes, 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. Mileage requests need to include the total number of miles travelled (trip odometer), purpose of the trip, trip date, trip location.
- **Parking and Tolls** Parking fees and tolls will be reimbursed in addition to mileage provided valid, dated, receipts are submitted with the expense reimbursement request.

#### Mode of Transportation Least Expensive

The amount reimbursed for travel by private automobile shall 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 Executive Director, President, or Treasurer when it is in the best interest of the NYSW.

## Rental of Motor Vehicles

Prior to rental of a vehicle, consideration should be given to its required use and other transportation alternatives. If a rental vehicle is needed, the State Office will reserve the vehicle 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 renting the vehicle.

- **Rental Agreements** Rental agreements provide several add-on 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.

- **Taxis, Lyft/Uber** Taxis, Lyft/Uber Services 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.

## Section 5.3: 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 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.

## Section 5.4: Meals

Actual, reasonable funds expended for meals while attending meetings or events on NYSW business will be reimbursed. The most senior Association person present should incur the expense and is responsible to submit the Expense Reimbursement form and documented receipts.

All receipts must be documented with the list of meal attendees, the purpose of the charge, and be itemized, listing each meal and item purchased during the meal.

## Section 5.5: 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 and are the responsibility of the purchaser.



### **Miscellaneous Reimbursable Expenses**

Other reasonable and necessary reimbursable expenses related to NYSW business travel activities may include: supplies, tips (up to 18% for meals is permitted), passport fees, fax charges, telephone charges, temporary Internet connection fees, and postage or shipping.

### **Section 5.6: Failure to Follow Financial Policies and Procedures**

In the event any Board Member, volunteer, contract personnel, employee, or any other person of the Association incurring expenses, submitting for reimbursement, or approving reimbursement fails to comply with the financial policies and procedures, the State Office Bookkeeper must immediately provide written notification to the Executive Director, Treasurer, and President.

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 seven (7) business days.

If any non-compliant person habitually (at least two months) violates the policies and procedures, that person may be subject to disciplinary actions that include a travel ban and possible suspension or termination from NYSW. (For employees, refer to [Employee Handbook](#) for the full employee policies)

See Section [4.5](#) above for further details

## **Part VI: RECEIPT OF INCOME POLICY**

### **Section 6.1: 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 which it was received. The State Office Bookkeeper processes checks via the use of a Remote capture machine unless malfunctioning, then checks physically delivered to bank as deposit.
- A copy of the daily deposit shall be provided to the Treasurer and Executive Director for review on a monthly basis and upon request.
- No cash will be accepted by the State Office.

### **Section 6.2: 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, pass fees, sponsorship funds, national allocation, 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, the State Office Bookkeeper must notify the Treasurer and Executive Director of any outstanding receivables.

### **Section 6.3: Non-Sufficient Funds Checks**

The State Office Bookkeeper 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.
- Dates of the above correspondence and the date of the replacement check shall be tracked by the Bookkeeper. The Bookkeeper shall notify the Executive Director, President, and Treasurer, who in turn will notify the Board of Directors of all NSF check originators who are in bad standing.

## Part VII: PAYMENT OF EXPENSES FROM OPERATING ACCOUNTS POLICY

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

### Section 7.1: Receipt of Bills, Invoices, etc. Procedure

All bills must be sent to the State Office Bookkeeper.

- Bill may be mailed, hand delivered, faxed, or electronically transmitted.
- Bills must clearly state the nature of the expense

### Section 7.2: 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 Executive Director, President, or Treasurer, who will provide written notice to the authorized program director 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 Bookkeeper 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.

### Section 7.3: Generation of Checks on Operating Accounts Procedure

- Upon approval, the State Office Bookkeeper shall review the invoice or bill for accuracy, then 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.
- The State office Bookkeeper will retain a copy of all bills, along with a copy of the remittance advice, in a secured location designated by the Board of Directors.
- 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 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, the Bookkeeper 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.

### Section 7.4: Payments on Over Budget Items

Payments may be made on payables, which are not covered by the approved Budget, upon approval by the President and Treasurer.

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.

## Part VIII: CREDIT CARD POLICY

### Section 8.1: General Policy

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. These credit card policies are applicable to all persons authorized by the Board of Directors to use the Associations' credit card.

All persons granted authorization to utilize the organization credit card must use the credit card solely for business purposes. No personal expenses are permitted. No exceptions.

Any and all expenses incurred that are deemed unreasonable and unauthorized are prohibited, are the responsibility of the cardholder, and payment for such expenses will be owed to NYSW by the cardholder. Payment must be mailed to the State Office Bookkeeper and must accompany the approved Expense Form and attached documentation.

Credit cards will be provided to those that are approved by the Board of Directors. A listing of who is approved shall be maintained in the State Office Bookkeeper.

All charges must be approved and documented in the same manner as required for [checks written on operating accounts](#), the [expense reimbursement policy](#)(Part IV), and the [travel expense policy](#)(Part V).

### Section 8.2: 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 defined herein.
- The billings from the credit card company shall be mailed directly to the State Office Bookkeeper, who in turn, shall submit the payment to the credit card company on a timely basis to avoid all interest charges. The full payment should be disbursed unless there's a disputed charge for which the credit card company has been contacted.
- Credit card usage will be granted on the condition that it will only be used for approved, authorized business related expenses that are reasonable, necessary, actual, and documented NYSW expenditures and never under any circumstances, for personal use.
- When the State Office Bookkeeper receives the credit card billings, the statements shall immediately be emailed to the cardholders, who must ensure a receipt for each charge is submitted for approval within five (5) business days.
- Credit card users are required to submit credit card receipts that support each individual charge on the monthly credit card statement to the State Office Bookkeeper for accountability and verification of charges no later than five (5) business days after the receipt of the credit card statement.
  - When meals are charged to the card, a complete, dated, valid itemization of the bill is required, without exception. All persons in attendance at the meal must be listed on the receipt along with the purpose of the meal.
  - 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. The credit card statement with the charge belonging to the missing receipt must be highlighted and submitted with the request letter.
  - The State Office Bookkeeper is responsible to reconcile the submitted receipts to the credit card statement. If receipts are missing, the Bookkeeper will provide written notice to the cardholder to request required receipts within five (5) business days.
  - The State Office Bookkeeper will provide the credit card reconciliations and credit card statements to the Executive Director and Treasurer on a monthly basis for review.
- Lost or stolen credit cards must be immediately reported to the Executive Director, who will immediately contact the credit card company, the President, and Treasurer. The credit card account will be suspended.
- In the event a cardholder no longer holds a position, employment, or office at NYSW, the credit card must be returned to the Executive Director, President, or Treasurer.

### Section 8.3: Responsibility of Expenses

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

## **Section 8.4: Failure to Follow Financial Policies and Procedures**

In the event any person who is an authorized user of the organization credit card incurs or approves expenses for the Association fails to comply with the set policies and procedures, the State Office Bookkeeper must immediately provide written notification to the Executive Director, Treasurer, and President and the following procedures shall be followed:

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 seven (7) business days.

If the non-compliant person fails to comply by the date certain, the credit card account will be suspended and a second letter from the President or Treasurer shall be sent to the non-compliant person 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, and that person was granted authorization to use the company credit card, and/or any non-compliant person habitually (at least two months) violates the policies, the credit card shall be revoked and the non-complaint person shall be automatically considered in bad standing, prohibited from participating in any NYSW activity, and subject to suspension or termination from the organization. (For employees, see [Employee Handbook](#) for the full employee policies)

## **Part IX: OPERATING AND INVESTMENT ACCOUNTS POLICY**

### **Section 9.1: General Requirement of All Accounts**

#### **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 501c(3) tax-exempt organizations.

### **Section 9.2: 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 or a secured location designated by the Board of Directors.

#### **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**

The majority of expenditures of funds for expenses or any other purpose shall be paid by check drawn upon the operating accounts. Only expenses authorized by the Executive Director, Treasurer, or President may be paid via online bill payment from the operating account or processed to the NYSW credit card.

However, transfer of funds from operating accounts to investment accounts may be transferred electronically provided approval is granted from the President or Treasurer and the accounts are in the name of the NYSW.

## Section 9.3: 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 the 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

#### *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.

### Annual Asset Allocation Review

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.

## **Annual review of Manager**

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.

# **Part X: FINANCIAL RECORDS AND REPORTING POLICY**

## **Section 10.1: Records (Books)**

### **Chart of Accounts**

The State Office Bookkeeper 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 Bookkeeper 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 Bookkeeper shall keep and maintain records of all of the accounts of the NYSW and shall make backup copies, to be stored in a secured location designated by the Board of Directors.
- The Treasurer will be provided with copies of the records upon request.
- The Treasurer and Executive Director will be provided with complete copies of all operating and investment statements and will review the reconciliation of the accounts to the accounting system records on a monthly basis.

### **Financial Records**

The State Office Bookkeeper and Executive Director 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 institutions.
- 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
- Any and all other financial records including but not limited to contracts for goods or service, records of assets acquired, evidence of insurance coverage and policies.

### **Records Retention and Disposal**

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.

## **Section 10.2: 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
- YTD Statement of Assets and Liabilities
- YTD Comparison of Actuals to Budget
- YTD State Programs Comparison of Actuals to Budget

### **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).

### **Vendor List**

The Treasurer shall review the vendor list and all payment disbursed to vendors on a monthly basis.

### **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 Audit or Review Report
- year-end Income Statement
- any other financial statements deemed applicable.

The Treasurer shall submit the above reports for publication to the NYSWYSW website.

### **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.

## **Section 10.3: 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 member of the NYSW.

## **Part XI: BUDGET POLICY**

### **Section 11.1: Initial Budget**

- Program Directors shall submit a proposed line item budget by General Ledger Account and by quarter for each program that they administer on June 1<sup>st</sup> to the Treasurer and Budget Committee.
- The Treasurer in collaboration with the Budget Committee, Executive Director, Program Directors, and President shall generate the initial next fiscal year's budget by the June 30<sup>th</sup>.
- 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 submitted to board members and the State Office for review, proposed revision, and comments for a period not to exceed twenty (20) days.

### **Section 11.2: Preliminary Budget**

- The Treasurer/ Budget Committee shall submit a revised Preliminary Budget to the Board of Directors at their scheduled 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.

### **Section 11.3: Official Budget**

- Within thirty (30) days of the end of the fiscal year, the Treasurer shall prepare a Final Preliminary Budget for approval of the Board of Directors at the regularly scheduled October Meeting. Upon the Board of Directors approval at the October Meeting, copies of the Final Preliminary Budget will be distributed to the membership.
- Said Final Preliminary 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(AGM), the Final Preliminary Budget, as amended, will be the Official Budget for the fiscal year.
- In the event the Final Preliminary Budget fails resolution by the membership at the AGM, the Association will continue to operate on the Final Budget adopted by the Board of Directors. The President shall appoint a Budget Review Committee, who will report to the Board of Directors within 60 days with recommended revisions, if any. (See [NYSW ByLaws](#) #12 for more information)

### **Section 11.4: 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.

## **Part XII: MATTERS NOT PROVIDED FOR**

Matters not provided for in this document will be determined by the Board of Directors.



# Appendix I – Financial Policies and Procedures Agreement

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As a Board of Director, employee, volunteer, or independent contractor of the New York State West Youth Soccer Association, Inc., I have read and understand the Financial Policies and Procedures Document updated and approved by the Board of Directors as of Wednesday April 20, 2022.

I realize it is my obligation to comply with the Financial Policies and Procedures as stated within the document at all times.

Legal Name \_\_\_\_\_  
(Please print)

Title/Office/Position \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_