

Section 3
FINANCE
Policies and Procedures

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3.1 Introduction

311 Purpose

1. It is the purpose of these policies and procedures to provide consistent application of conduct and proper internal controls to safeguard the assets of UYSA while performing the duties described in UYSA's Bylaws. All funds raised and dispersed in UYSA's name must be managed in such a way that UYSA's tax-exempt status will not be endangered.
2. UYSA will maintain budgeting, accounting, reporting, and auditing policies, procedures, and records which are consistent with Generally Accepted Accounting Principles (GAAP) and meet the requirements of state and federal statutes and regulations. UYSA financial policies are designed to do the following:
 - a. Secure and protect UYSA's assets;
 - b. Ensure the maintenance of accurate records of UYSA's financial activities; and
 - c. Ensure compliance with governmental and private funder reporting requirements.

312 Definitions

- **"Audit Committee"** means the audit subcommittee of the Finance Committee.
- **"Board"** means UYSA's board of directors as established in UYSA's bylaws.
- **"Budget Committee"** means the budget subcommittee of the Finance Committee.
- **"Bylaws"** means UYSA's bylaws.
- **"Executive Committee"** means the executive committee of the Board.
- **"Chief Executive Officer"** means UYSA's Chief Executive Officer as established in UYSA's bylaws.
- **"Finance Committee"** means the finance committee of the Board.
- **"Fiscal Year"** means UYSA's fiscal year as established in UYSA's bylaws.
- **"UYSA"** means the Utah Youth Soccer Association Inc.

3.2 Budgeting Policies & Procedures

321 Budget Principles

1. The budgetary process shall comply with the Bylaws and with applicable state and federal laws.
2. UYSA will adopt budgets that do not require total organizational expenditures in excess of total organizational revenues.
3. UYSA will treat each identifiable program area of the organization as a separate cost center.

322 Budget Preparation and Adoption

1. Budgets will be prepared with line items that comport with UYSA's approved revenue and expense codes/accounts.
2. At least ninety (90) days prior to the beginning of the applicable Fiscal Year, the responsible person for each of UYSA's program areas will prepare and submit a proposed operating budget to the Chief Executive Officer.
3. At least sixty (60) days prior to the beginning of the applicable Fiscal Year, UYSA's Chief Executive Officer, in conjunction with the Budget Committee, will prepare and

- submit an operating budget for all of UYSA's operations to the Board.
4. At the last BOD meeting preceding the beginning of the applicable Fiscal Year, the Board will approve a budget for UYSA's operations for the applicable Fiscal Year

323 Budget Modification

1. If it appears that a program area will exceed its budgeted expenditures or fall short of its projected revenues by more than 10%, the responsible person for that program area will prepare and submit a proposed modified budget to the Chief Executive Officer.
2. Within fifteen (15) days of receiving the modification request, the Chief Executive Officer, along with the Budget Committee, will review the proposed modification and submit it to the Board along with a recommendation.
3. Within fifteen (15) days of receiving the modification request and recommendation, the Board will act upon the request.

3.3 Accounting Policies & Procedures

331 Financial Records.

1. All books and records will be maintained at UYSA's main office.
2. Records should not be destroyed until after the length of time required by either state and/or federal law.

332 Cash Receipts & Deposits

1. Someone other than the person making deposits is responsible for opening the daily mail, making a log of cash receipts, restrictively endorsing the payment, making note of any restrictions on the log entry, and account coding the receipt by receivable or revenue account.
2. A receipt from a sequentially numbered receipt book is provided to any person giving cash to UYSA. Prior to use, the beginning and ending numbers of the receipt book are written on the front cover of the receipt book.
3. The Chief Executive Officer or other office employee prepares the bank deposit slips, listing each item.
4. Receipts are deposited daily by a person other than the person completing the deposit slips. The bank's stamped, duplicate deposit slip is attached to the remittance documentation. Between deposits, all funds will be placed in a locked safe.
5. The daily deposit log and duplicate deposit slip is forwarded to the bookkeeper for verification and data entry.
6. Cash is deposited in the appropriate depository institution account based on funding restrictions.

333 Depository Institution Accounts & Credit Accounts

1. UYSA will maintain a minimum of two accounts – an operating account and an investment account. The size of the operating account will vary. The investment account should retain a minimum balance of \$10,000.00.
2. All UYSA accounts will be in UYSA's name and never in an individual's name.
3. All UYSA accounts must be located in institutions insured by FDIC, NUCA, or other federal insurer. The amount in each account will not exceed the maximum amount for which it is insured.

4. All checks written on UYSA accounts require two signatures. Individuals authorized to sign checks are the President, Vice-Presidents, and the Chief Executive Officer. An individual's signature may be affected by an imprinted signature – a signature that is mechanically or electronically produced. If a signature is 'imprinted', an electronic record of approval to imprint signature must accompany the request. Payroll checks may contain two imprinted signatures if the payroll is administered by a third party, independent of UYSA and its employees. Imprinted signature devices will be kept secured in a safe.
5. The foregoing officers must promptly file signature cards with all depository institutions used by UYSA for checking within one month of their election or appointment, within one month of the establishment of any new checking account where new signature cards are required, and within one month of any depository institution's request for signature card re-submittal.
6. UYSA will promptly notify depository institutions of all changes of authorized check signers by the Chair of the Finance Committee.
7. All checks are to be pre-numbered and accounted for – whether used, voided, or unused – by a check custodian. UYSA uses pre numbered voucher checks.
8. Non-cleared checks will be voided after 90 days of submission. If check is voided for this purpose, approval of new check must be approved by Chief Executive Officer.
9. Voided checks are to be properly defaced and maintained.
10. UYSA will have credit cards issued in UYSA's name, to be authorized, in writing, by the board. It is recommended that UYSA obtain credit cards with no annual fee. If there is an annual fee, it should be paid by UYSA.
11. Credit card statements should be mailed directly to UYSA's state office, not to the individual card holders. Payments on the accounts will be made in a timely manner to avoid interest charges.
12. Each cardholder should be responsible for providing a signed and properly completed expense reimbursement form for charges made on the association card. Receipts of these charges should be attached to the form, and submitted within thirty (30) days of the date the expenses were incurred.
13. The Chief Executive Officer will reconcile or oversee reconciliation of depository institution statements to the general ledger within fifteen (15) days of the end of the month and provide the reconciliation to the Treasurer.

334 Petty Cash

1. Receipts or itemized slips are required for every disbursement. The Chief Executive Officer or his/her designee will be responsible for verification of receipts and cash.
2. Petty cash may be used for such things as small and odd jobs, local travel, and sundry items. It is not intended for purchases that can be made with designated suppliers. Activities or needs should be planned ahead so necessary funds will be available in the petty cash account.
3. Whenever petty cash is used, a pre-numbered "Receipt of Petty Cash" slip must be filled out. A completed slip will include date, the amount taken and returned, the cash category and the total spent. When a staff person receives cash, he/she will sign on the "Received By" line of the petty cash log. Items purchased should also be listed on the log, unless the receipt that must always be clipped to the log lists items purchased. The Chief Executive Officer or his/her designee will sign on the "Approved By" line of the petty cash log.
4. The Chief Executive Officer will be responsible for the reconciliation and replenishment of the petty cash account.

335 Investments

1. The UYSA Board will approve the placement of assets not needed for immediate operations assuring compliance with all contractual requirements and using the principles identified below.
2. The following principles will govern investment decisions of the Board.
 - a. **Minimize Risk:** The Board will define a minimum risk strategy that will be reviewed annually to ensure appropriate discharge of responsibilities to donors, lenders, and contractual relationships.
 - b. **Maximize Investment Return:** Within the parameters defined as “minimum risk,” funds will be invested at the highest area interest/return available at the time of decision.
 - c. **Maintain Liquidity:** Funds should be invested in vehicles that allow for liquidity in an appropriate amount of time determined in accordance with operational needs.
 - d. **Support Local Institutions if Economically Feasible:** “Local” is defined as having a physical presence for customer service within UYSA’s service area.
3. Each quarter, the Chief Executive Officer or his/her designee will review with the Executive Committee the projected cash needs of the corporation and the assets available for investment.
4. Each quarter, the Executive Committee will provide the Chief Executive Officer or his/her designee with guidance regarding investment and institutions.
5. The Executive Committee will designate a representative to consult with the Chief Executive Officer or his/her designee between meetings on such matters as investment period timeliness and institutional issues.
6. The Chief Executive Officer or his/her designee will contact local institutions as needed to determine the best rate of return for investments.

336 Expenses

1. All expenses must be reasonable, necessary, allowable, and allocable.
2. Expenses are charged directly to programs when specific identification is available. Petty cash and expense reimbursement requests require enough detailed description to facilitate simple direct charge allocation to project or grant by account codes in use by a non-staff bookkeeper.
3. Expenses are charged to programs based upon a shared cost rationale when the direct charge cannot be established.
4. Expenses are prohibited to be used for any purpose that is ineligible under a funding award.
 - a. Expenditures for each grant, loan, or contract are to be recorded according to the budget categories for that particular funding source. For each funding award, UYSA will maintain records that allow for a comparison of outlays with approved budget amounts.
 - b. Before UYSA seeks reimbursement from a funder, it will ensure that the costs for which it is seeking reimbursement are allocable to that funder. A cost will be considered allocable to an external funding source (unless otherwise prohibited) if it is treated consistently with other costs incurred for the same purpose in like circumstances and if:
 - (1) The cost is incurred specifically for the award.
 - (2) The cost benefits both the award and other work and can be distributed in reasonable proportion to the benefits received, or
 - (3) Is necessary to the overall operation of the organization, although a direct

- relationship to any particular cost objective cannot be shown.
- c. Any cost allocable to a particular award or other cost objective may not be shifted to other awards to overcome funding deficiencies, or to avoid restrictions imposed by law or by the terms of any award of funds.
5. Meals: Generally, meal expenses that do NOT involve an overnight stay are NOT reimbursable. The exception involves Business Meals –which usually should be with at least one other non-UYSA employee or volunteer –for the purpose of discussing official UYSA business. Meals for family members, significant others, etc. are NOT allowable.
 6. Travel:
 - a. An employee or Board member wishing to be reimbursed for travel expenses (mileage, parking tolls, hotel expenses, business travel, etc.) will need to complete a Travel Authorization at least seven (7) days prior to commencing the travel. The authorization must be approved for an employee by the Chief Executive Officer and for a Board member by the UYSA President.
 - b. Within thirty (30) days of completing the travel, the traveler must complete a Travel Expense Reimbursement form, which must be submitted to the Chief Executive Officer along with all receipts.
 7. Unallowable Expenses: Lost or stolen articles, alcoholic beverages; damage to personal vehicle, clothing or other items; movies charged to hotel bills; all expenses related to personal negligence, such as fines or parking or services used to gain entry to a locked vehicle, entertainment expenses; towing charges for personal vehicle; contributions; donations; charges for spouse, children or companions; personal needs such as medication, refrigeration-even if it is for medication-hotel safe or other conveniences. The above list is not all-inclusive.
 8. Purchase and check requests will follow the following procedures:
 - a. Get pricing/bids first.
 - b. Fill out purchase request form.
 - c. Get approval from the Chief Executive Officer if the expenditure exceeds \$250, from the Chief Executive Officer and either the President or Vice President if the expenditure exceeds \$500. Approval shall be in writing
 - d. Obtain a PO # from Chief Executive Officer.
 - e. Order product with a PO#.
 - f. Payment-The Chief Executive Officer will match the invoice, purchase order, and delivery confirmation Proof of Delivery.
 9. Checks will be cut weekly.
 10. Expenses will be paid only as a result of documentation presented supporting the expense. That documentation may include association expense reimbursement forms with proper attachments such as receipts, invoices or other written billing.

337 Cash Disbursements

1. Cash disbursements are made by check or credit card with the exception of petty cash.
2. The Chief Executive Officer approves all invoices for payment.
3. Vendor invoices are recalculated on site to ensure accuracy. This recalculation must occur prior to the preparation of a check to pay the invoice. After the recalculation is complete, the employee who performed the recalculation must initial the vendor invoice, indicating that the amount is correct and the invoice can be paid.
4. Checks for payment are signed only when supported by approved invoices. Checks will not be processed and signed in advance of proper invoicing approval procedures.
5. Check signers compare data on supporting documents to checks presented for their signature.

6. Bank transfers are scheduled and investigated to ascertain that both sides of the transaction are recorded.
7. The employee responsible for mailing checks will not be responsible for recording cash disbursements. These two functions must be handled by different employees to ensure that the appropriate checks and balances are in place.
8. Supporting documentation is noted as paid, check number, date paid, and general ledger account code. Supporting documentation is noted as approved for payment.
9. Account coding for each payment are reviewed for accuracy.
10. UYSA finance and accounting staff will ensure that all costs are reasonable, ordinary, necessary, within budget, and arms-length transactions, and do not deviate from established practices of the organization. A cost will be considered reasonable if, in its nature or amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the costs.

338 General Ledger Account Coding

1. All cash receipts and disbursements are account coded and reviewed by the Chief Executive Officer.
2. A policy will be developed that documents the rationale used to allocate shared expenses among functions, grants, and/or contracts and reviewed periodically.
3. Except when contractually prohibited, funding from multiple sources may be kept in an account with other funding; however, it must be tracked independently.

339 Revenue

1. Revenue is earned using the accrual basis of accounting.
2. Cost reimbursement grants or contracts earn revenue when the expenses are incurred (not committed).

3310 Collection and Write-off of Delinquent Accounts

1. UYSA may utilize outside collection agencies if all past efforts to collect money due have been exhausted.
2. The Chief Executive Officer has discretionary authority to submit delinquent debts (over 90 days) to an outside collection agency.
3. Records must indicate that all efforts to obtain payment have been exhausted before the decision is made to write off any debt.
4. The request for approval of a write-off must include a short narrative of actions taken to collect and the rationale for the debt being considered uncollectible.
5. The Chief Executive Officer has the discretion to approve debt write-offs of a board-authorized amount. Any amount above the board-authorized amount that is requested to be considered a write-off must be approved by the Executive Committee of the Board of Directors. Reference to this action will be included in the board packet for the next regularly scheduled Board of Directors Meeting.
6. The budget line item for fees and collections must be updated by means of a budget revision to reflect uncollectable fees/debts. If collection is made of a debt previously written-off as uncollectable, it will be recognized as revenue in the current period.

3.4 Reporting Policies and Procedures

341 Monthly Reporting

1. Within twenty-one (21) days of the end of each month, the Chief Executive Officer will reconcile the general ledger and accounting transactions, and compile a balance sheet and income statement for that month. The income statement will be itemized by cost code/account and will show results for the prior month and for year-to-date.
2. The Chief Executive Officer will provide the balance sheet and income statement to the Board at the next Board meeting.
3. The Chief Executive Officer will maintain records that identify adequately the source and application of funds for all activities. These records will contain information pertaining to awards, authorizations, obligations, assets, outlays, income and interest. Records to be maintained include copies of contracts, invoices, proofs of payment and allocation tracking when costs are distributed among several funding sources.

342 Annual Reporting

1. Within thirty (30) days of the conclusion of a Fiscal Year, UYSA will contract with a Certified Public Accountant (CPA) to prepare the annual financial statements for that Fiscal Year.
2. The statements shall be compiled, reviewed, audited.

343 Reporting Fraud

1. Protection for Reporters of Compliance Concerns, Including Fraud, Waste or Abuse
Federal and state law prohibit any retaliation or retribution against persons who report suspected violations of these laws to law enforcement officials, board of directors, or management. Anyone who believes that he or she has been subject to any such retribution or retaliation should also report this to the UYSA President or CEO.
2. How to Report a Compliance Concern, Including Fraud, Waste or Abuse
If you have knowledge or information that any such activity may be or has taken place, please contact UYSA President or CEO.
 - a. Mail: FWA Policy
Attn: President or CEO, UYSA
9159 South State Street - Sandy, Utah, 84070
Phone: (801) 307-5150
 - b. Email: President@utahyouthsoccer.net or to dhiatt@utahyouthsoccer.net
 - c. Fax a report to (801) 998-8421

NOTE: *When reporting a compliance concern including potential or actual fraud, waste or abuse, please give as many details as you can, including names and phone numbers. You may remain anonymous, but if you do we will not be able to call you back for more information. Your reports will be kept confidential to the extent permitted by law. Thank you for helping UYSA keep fraud, waste and abuse out of soccer.*

3.5 Audit Policies & Procedures

351 External Audits

1. Within thirty (30) days of the conclusion of every Fiscal Year, UYSA will contract for an independent certified audit to be performed by a Certified Public Accountant (CPA).
2. UYSA will require the auditor to complete the audit within four (4) months of the conclusion of the Fiscal Year.
3. UYSA will require the auditor to submit a report to the Board within one (1) month of completion of the audit.
4. The auditor will test accounting procedures, controls, and results in accordance with generally accepted auditing standards for non-profit organizations.

352 Internal Revenue Service

1. All individuals who will be compensated for work performed for or on behalf of the UYSA must provide their current address federal identification number or social security number as appropriate on an IRS W-9 form. IRS form 1099 also may need to be completed for these individuals.
2. UYSA's finance committee should check with the local IRS office for information on all reporting responsibilities.

3.6 Legacy Fields Project

361 Funds Collection

1. Player Contributions
 - a. Upon a player's first registration each Seasonal Year, UYSA shall collect from such player an amount established by the Board for the Legacy Fields Project.
 - b. All player contributions will be deposited into the Legacy Fields Project account and allocated to the UYSA Region the player is registered in.
2. Donations from Outside Parties
 - a. When an outside party makes a donation to the Legacy Fields Project, the donor will be required to designate allocation of such donation to a specific UYSA Region or Regions. If the donor does not designate specific Regions, the funds will be allocated equally between all regions.
 - b. All outside party donations will be deposited into the Legacy Fields Project account and allocated as described in the previous subparagraph.

362 Funds Handling

1. Reporting
 - a. UYSA shall establish and maintain an accounting system to track Legacy Fields Project funds and ensure proper allocation of the funds among the UYSA Regions.
 - b. The UYSA CEO shall produce each month a statement of the Legacy Fields Project account with Region allocations, and provide the statement to the Board and the Legacy Fields Project Committee.
2. Legacy Field Project funds shall be invested by the UYSA Finance Committee in investment vehicles appropriate to the time horizon of the Legacy Fields Project.

363 Funds Disbursement

1. Disbursement for Projects
 - a. Project Approval
 - (1) A written proposal for use of Legacy Field Project funds must be submitted to the Regional Subcommittee for the Region where the project will be located.
 - (2) If the Regional Subcommittee approves the proposal, it shall submit the proposal to the Legacy Fields Project Committee for review and recommendation.
 - (3) The Legacy Fields Project Committee will review the proposal and submit their recommendation to the Board.
 - (4) If Board approves the proposal, a notice of approval will be sent out to the Regional Subcommittee.
 - b. Project Funding
 - (1) The Regional Subcommittee shall submit to the UYSA CEO all requests for project expense reimbursement. Such requests shall include all appropriate documentation to substantiate expenses.
 - (2) Within fourteen (14) days of receipt of a complete reimbursement request with substantiating documentation, the UYSA shall pay funds from the Legacy Fields Project account to the appropriate party.
2. Disbursement upon dissolution
 - a. Upon the dissolution of UYSA, the remaining funds in the Legacy Fields Project account shall be distributed to a nonprofit fund, foundation or corporation, which is organized and operated exclusively for charitable, educational, religious and/or scientific purposes, and which has established its tax exempt status under Section 501(c)(3) of the Internal Revenue Code. If UYSA holds any assets in trust, said assets shall be disposed of in such a manner as may be directed by order or decree of the District Court of the county in which UYSA's principal office is located, upon petition by any person concerned in the liquidation.

Updated as of 10/25/2016