

Financial Policies and Procedures

South Texas Youth Soccer Association

Initial Executive Committee Approval October 11, 2003

7.1 OBJECTIVE

The objective of these financial policies and procedures is to provide consistent application of conduct and proper internal controls to ensure prudent use of Association assets, as the duties described in the Association's constitution and bylaws are performed. All income and funds dispersed by South Texas Youth Soccer Association will comply with the guidelines of the Internal Revenue Service codes for a 501(c) (3) tax-exempt organization.

7.2 DEFINITIONS

- 7.2.1 "Association" means South Texas Youth Soccer Association (STYSA).
- 7.2.2 "Line Item" means a specific line with corresponding amount in the Association Budget.
- 7.2.3 "Program" means the operations of a specific officer, committee or office of the Association.
- 7.2.4 "Finance Committee" means a group of people comprised of the Association's Treasurer, who will act as Chairperson, and additional members not associated with the STYSA Executive Committee. The Association Treasurer will nominate to the Association President the additional members for appointment.
- 7.2.5 "Executive Committee" means the current officers of the Association.
- 7.2.6 "Named Subordinate" means an entity the Association has reported to the Internal Revenue Service as a subordinate unit of the Association under its Internal Revenue Service Code section 501(c) (3) group exemption from federal income tax. To be identified a Named Subordinate the entity must be a Member Association or a club/league that is a member of a Member Association, so named in the Member Association's Constitution and Bylaws.
- 7.2.7 "State Office" means the physical location of the STYSA state office.
- 7.2.8 "Office Staff" means persons employed by STYSA and working at the state office.
- 7.2.9 "Fixed Asset" means any tangible asset that has a fair market value and is included in the Association's depreciation schedule.
- 7.2.10 "Fiscal Year" is recognized as the period from September 1st to August 31st of each calendar year.

7.3 BUDGET PROCESS

7.3.1 Proposed Annual Budget.

- 7.3.1.a **Creation.** The Treasurer and the Finance Committee shall generate a draft of the next fiscal year's proposed Annual Budget with information provided by the officers, program chairmen and committee chairmen.
- 7.3.1.b **Budget Draft.** The budget draft will be presented to the Executive Committee for review and/or revision.
- 7.3.1.c **Proposed Annual Budget.** The proposed annual budget will be posted on the Association's website thirty (30) days prior to the Winter Governing Board Meeting and will be presented to the delegates at the Winter Governing Board meeting for approval and/or amendments.

7.3.2 **Amendments to Annual Budget following Governing Board Approval.**

- 7.3.2.a **Request to Amend.** Each request to amend the approved budget shall be submitted in writing to the Association Treasurer.
- 7.3.2.b **Proposed Amendment.** The Treasurer will submit the proposed budget amendment to the Executive Committee, which shall have responsibility for final approval. Upon receipt of the proposed budget amendment and recommendations from the Treasurer, the Executive Committee shall consider the amendment at its next meeting.

7.4 **MANAGEMENT AND CONTROL**

7.4.1 **Responsibility of the Association's Treasurer.**

Responsibilities of the Treasurer are defined in the Association's By-Laws.

7.4.2 **Responsibility of Association's Office Staff.**

- 7.4.2.a **General Responsibility.** The Office Staff, with oversight by the Association's Treasurer, shall process and handle the receipt of all income and payment of all expenses of the Association.
- 7.4.2.b **Receipts of the Association.** A member of the Office Staff other than the Executive Director or State Administrator shall open all the mail and stamp the Association's endorsement on any checks or other financial instruments received, write receipts for all cash received, date stamp any accompanying documents or support with the date received, and log all checks, financial instruments, and cash into the Daily Funds Receipts Log. The Executive Director or State Administrator will review the Daily Funds Receipt Log. All income of the Association from all sources will be deposited into the Main Account every Friday; or, when the accumulated funds total \$500.00 or more unless no other funds were received during that week. A 'zero' Daily Funds Receipts Log will be generated if no funds received on a given day. All financial receipts, checks and cash will be secured in a fireproof safe, which can be opened only by the Executive Director or State Administrator and the Assistant State Administrator, until they can be deposited into the bank. Deposits will be recorded in the Association's books on the day of deposit by a member of the Office Staff other than the member who creates the initial Daily Funds Receipt Log. The Association Treasurer shall be provided a copy of the deposit records and databases weekly.
- 7.4.2.c **Disbursements of the Association.** Transfers of funds in excess of \$500.00 from any account to another must be tracked by the completion of STYSA Funds Transfer Form. No monetary instruments of any kind may be executed without the express completion of this form and due notice to either the Association President or the Executive Vice-President. Said transactions must be completed within a 24 hour period. Electronic transfer methods must be used if available. All expenses, except those processed through the Office Account and Petty Cash Fund shall be paid by check drawn upon the Main Account. Expenses will be paid as follows:
- 7.4.2.c.1 **Expenses.** All invoices and expense reports will be mailed, hand-delivered, faxed or e-mailed to the State Office. Office Staff will date stamp each document received. The person responsible for any budget line item

may request approval powers for payments prior to a check being generated. Upon approval, Office Staff will generate a check or prepare an Electronic Payment Form, for each document related to Association operations: i.e., utilities, telephone, on-line services, etc., for the approved amount. The check or Electronic Payment Form, with supporting documentation will be forwarded to the Treasurer for approval and signatures/endorsements. The check and supporting documents will then be forwarded to the President, or an alternate designated signor on the bank account, for approval and signatures. Checks, or approved Electronic Payment Forms, and supporting documents will then be returned to the State Office for distribution. All supporting documents for disbursements will be kept on file in the State Office for audit.

7.4.2.c.2 **Signatures Required.** For all accounts, except the Office Account and Petty Cash Account, reference the Association by-laws. The Executive Director or State Administrator with assistance from the Secretary and Treasurer shall assure that within four actual weeks of the replacement of any signatory on any account that the signature cards on file at each bank shall be updated and a new signature card executed. For the Office Account, the Treasurer, Executive Director or State Administrator and Assistant State Administrator shall be signatories on the account. The Executive Director or State Administrator shall maintain and be responsible for the Petty Cash Account in the State Office.

7.4.2.c.3 **Expenditures Over-Budget.** No payment for any expenses that are not covered in the approved budget may be made. Payment of these expenditures shall be made either by the individual creating the unauthorized payable or by following the budget amendment process as stated in 7.3.2 Financial Policies and Procedures, Budget Process, Amendments to Annual Budget following Governing Board Approval.

7.4.2.d **Reconciliation of Association Bank Accounts.** Accounts of the Association will be reconciled within two (2) weeks of receipt of the account statement in the State Office. All bank statements will be sent directly from the bank to the Association Accounting firm. The Association Accounting firm will review each bank statement and the associated canceled checks if applicable. As soon as practical upon completion of their review, the Association accounting firm will forward the original statement and canceled checks to the State Office. No delay should be allowed in this important function.

7.4.3 **Financial Records.**

7.4.3.a **Records of the Association.** The official financial records of the Association will be maintained at the State Office. The Association's Treasurer will maintain copies and duplicate computer records of the Association in another location. Original entry into QuickBooks or other accounting software will be limited to authorized personnel at the State Office. Segregation of duties mandates check signors' independence of general ledger entry. The Office Staff will provide the Treasurer updated copies of records and data weekly.

7.4.3.b **Chart of Accounts.** The Association's Treasurer and the Office Staff will create and maintain a chart of accounts that reflects all line items in the current annual budget.

7.4.4 **Financial Reporting.**

7.4.4.a **Association Reporting.** Reference the Association By-Law 2.15.5.

7.4.4.b **IRS Reporting.** Reference Internal Revenue Services codes.

7.4.5 **Audits.**

7.4.5.a **Financial Records.** The Financial Records of the Association will be audited annually by independent certified public accountants, which have no other relationship with the Association. The results of all audits shall be made available in accordance with the Internal Revenue code for 501(c) (3) tax-exempt organizations.

7.4.6 **Security.**

7.4.6.a Valuable assets will be kept in a secure locked location.

7.4.6.b The Executive Director or State Administrator is the specified custodian of blank check stock. No other office, officer, or individual shall be allowed access to blank check stock. Blank check stock will be kept in a secure locked location.

7.4.6.c Computer security and backups will be maintained.

7.4.6.d Documentation retention of general Association records will be handled in accordance with the Documentation Retention Policy. The Documentation Retention Policy is an internal control process that is part of the responsibilities of the Office Staff. Changes to the Documentation Retention Policy must be approved by the Executive Committee.

7.4.7 **Approval of Accounts Receivable Credit to non-members.** The decision to extend credit or dictate credit terms to an entity who is not a STYSA Member Association or Affiliate is at the sole discretion of the STYSA Treasurer.

7.5 **OPERATING AND INVESTMENT ACCOUNTS**

7.5.1 **Accounts.** The Association will maintain the following operating and investment accounts:

7.5.1.a Main Account into which all income will be deposited and from which general expenses will be paid.

7.5.1.b Payroll Account from which all payroll expenses of Association employees will be paid.

7.5.1.c Office Account from which any incidental expense, not greater than \$100.00, of the State Office will be paid.

7.5.1.d Petty Cash Fund from which any small incidental expense of the State Office will be paid.

7.5.1.e Investment Accounts into which all or a portion of Retained Earnings will be deposited.

7.5.1.e.1 The Finance Committee, chaired by the Treasurer, may be requested by the Treasurer to consult in the decision to invest funds of the Association.

7.5.1.e.2 Considerations for investment of Association funds shall be in the order of priority:
Security; then
Liquidity; then
Rate of return

7.5.1.f All accounts shall be opened and maintained following the approval and documented endorsement of at least three (3) Executive Committee members. The Bank will be provided with the Special Instructions of the Association in regard to disbursements, which will become a part of the banks record. All such letters will bear instructions regarding the number of signatures required for a transaction and wire transfer instructions in relation to transfer to the single Main Account referred to in 7.5.1.a above. No other form of disbursement is allowed, pursuant to the other Policies located throughout this document.

7.5.1.g No account shall be opened without the prior, documented approval as stated in 7.5.1f. All accounts (existing or new) shall be reported to the Executive Committee as part of the Financial Reports.

7.5.2 **Name on All Accounts.**

7.5.2.a All accounts will be in the name of South Texas Youth Soccer Association.

7.5.2.b Accounts shall be opened and operated to assure funds are maintained within the Internal Revenue Service guidelines for a 501(c)(3) tax-exempt organization.

7.5.3 **Federally Insured.**

7.5.3.a All accounts placed in financial institutions must be held in accounts insured by the Federal Deposit Insurance Corporation (FDIC). The accounts shall be managed such that amounts shall rarely exceed the maximum insurable amount. In such cases, efforts will be made to adjust the accounts, as reasonably feasible, to ensure the funds of the Association are properly insured.

7.6 **EXPENSE REIMBURSEMENT**

Executive Committee members, Committee Chairpersons, volunteers, and employees from time to time will incur expenses on behalf of the Association. This policy presents standard procedures by which those incurring expenditures may recover funds properly expended in the conduct of Association business.

7.6.1 **General Policy.** Executive Committee members, Committee Chairpersons, volunteers and employees shall be reimbursed for actual, reasonable and proper expenses incurred in the conduct of approved Association business. Executive Committee members, Committee Chairpersons, volunteers and employees should not be penalized nor should they profit by adhering to stated Association policies with respect to expense reimbursements.

7.6.1.a **Application.** These policies are applicable to all Executive Committee members, Committee Chairpersons, volunteers and employees of the Association. All levels of management are responsible for informing their volunteers and employees about Association policies and procedures for expense reimbursement.

7.6.1.b. **Hotel Master Accounts.** When two or more Executive Committee members, Committee Chairs, Committee Members, and/or Office Staff will be incurring expenses (i.e. Governing Board Meetings or USYS Workshops) for lodging while attending a specific meeting, the Treasurer will arrange for specific individuals to have specific charges billed to a master account. This account shall be responsible for the cost of the room and applicable taxes only. Individuals will remain responsible for incidental expenses or meals charged to the room. Members of the Executive Committee; Office Staff; or Committee Chairs and/or Members not traveling in conjunction with a local association; Hall of Fame Members not traveling in conjunction with a local association; and Guests of the Association shall be the only persons authorized by this policy. Others may be added to the Master Account at the hotel with the agreement of the Treasurer and the President.

7.6.2 **Expense Reimbursement Policies – Specific Requirements.**

- 7.6.2.a **Expense Reimbursement Form.** An expense reimbursement form created by the Office Staff and approved by the Treasurer must be utilized by every individual requesting reimbursement from the Association.
- 7.6.2.b **Documentation Required.** Expenses will be paid only as a result of the submission of the Association Expense Reimbursement form along with proper documentation. Such documentation shall include a valid receipt, invoices or other billings, and a written stated purpose for the expenditure to support the expense.
- 7.6.2.c **Expense Reimbursement Submission.** A completed Expense Reimbursement Form containing all required documentation must be signed and dated by the submitter and then submitted to the State Office.
- 7.6.2.d **Business Meetings and Conferences.** When expenses are submitted for attendance at Association 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.
- 7.6.2.e **Responsibility of Persons who Submit or Approve Expense Reimbursement.** Any person with expense reimbursement approval authority must fully realize that his/her signature on an expense report indicates conformity to Association 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 approver have equal responsibility for the correctness of the report and to ensure all expenditures are in agreement with Association policy.
- 7.6.2.f **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 Association.
- 7.6.2.g **Discounts.** Members are encouraged and advised to maximize discounts available to them; discounts for vehicle rental, lodging, meals and air travel should be requested, if available. That a non-profit organization is reimbursing the expense makes the individual personally obligated to seek discounts.

7.6.2.h **Compliance with IRS Regulations.** The policies, procedures and instructions contained herein are written to conform to current Internal Revenue Service and Federal Government regulations.

7.6.3 Travel Expenses.

General Policy. The Association will reimburse Executive Committee members, Committee Chairpersons, volunteers and employees for reasonable and proper expenses incurred in connection with traveling and living away from home in the conduct of approved Association business. The Association President or his/her designee must properly authorize each business trip in advance. The purpose for the trip and expenses incurred must be documented and properly reported on an Association Expense Reimbursement Form. Exceptional meal and travel expenses, properly documented by receipts, may be submitted to STYSA for reimbursement and approval by the President and / or the Executive Committee or their designee.

7.6.3.a. **Travel Per Deims.** Any volunteer traveling on behalf of STYSA may request and receive a travel per diem at the rate approved by the United States Internal Revenue Service for out of town or over night business travel within the United States. This per diem will be paid in lieu of normal meal and incidental travel expenses as per IRS Publications 1542, 463 and 535. Per deims will be paid on a prorated basis for the departure and return day based the time of departure and / or return as follows:

7.6.3.a.1 Before 10:00 a.m. – no proration (claim 3 meals)

7.6.3.a.2 After 10:00 a.m. but before 2:00 p.m. – prorate 1/3 (claim lunch and dinner)

7.6.3.a.3 After 2:00 p.m. – prorate 2/3 (claim dinner)

7.6.3.b. **Travel Advance.** An individual traveling on approved Association business may submit to the Association Treasurer a written request for a travel advance. The request must be submitted at least two (2) weeks prior to the date of departure and reflect a reasonable estimate of the expenses to be incurred including transportation, lodging and meals.

7.6.3.c. **Mode of Transportation as Least Expensive.** The mode of transportation should be dictated by the most practical way to travel.

7.6.3.c.1 Air Travel

7.6.3.c.1.a **Coach Class Required.** Air travel will be “coach” class. Reservations should be made as early as possible to take advantage of the least expensive fares available.

7.6.3.c.1.b **Air Bonus Mileage Awards (Frequent Flyer Miles).** The bonus mileage awards accrued for travel at the Association’s expense will be the personal property of each traveler. Accrual of bonus mileage awards attributable to a team’s travel in connection with a specific Association program shall accrue to the program’s benefit.

7.6.3.c.2 **Personal Automobile.** Persons may elect to drive a personal automobile between home and airport, bus or train terminals or to travel destinations.

- 7.6.3.c.2.a **Reimbursement - Mileage.** The Association mileage reimbursement shall be for the actual mileage driven at the standard mileage rate as determined by the Executive Committee for the current fiscal year. The amount reimbursed for travel by private automobile will not exceed the amount of reasonable air transportation. Actual mileage includes round trip to the destination and travel between the event site and hotel.
- 7.6.3.c.2.b **Reimbursement - Parking and Tolls.** Parking fees and tolls, if incurred, will be reimbursed in addition to mileage.
- 7.6.3.d. **Rental Vehicles.** Prior to rental of a vehicle, consideration should be given to the need for a rental vehicle compared to other transportation alternatives (shuttle, taxi, etc). If a rental vehicle is the reasonable choice, the individual renting the vehicle should choose a vehicle that meets the needs of the Association.

Renters of vehicles should understand that the Rental Contract will be between the individual and the Rental Car Company. The Association will not be a party in the rental. The Association's involvement will be limited to the reimbursement of approved expenses after presentation of an itemized rental receipt and the actual payment receipt attached to an expense reimbursement form.

The renter should read and understand the requirements of the Rental Contract. Individuals renting vehicles should exercise due diligence in the rental of vehicles. Some of the considerations in the rental of vehicles should be:

- 7.6.3.d.1 **Day rate versus week rate**
- 7.6.3.d.2 **Allowable mileage and extra charges for excess miles**
- 7.6.3.d.3 **Insurance coverage**
 - 7.6.3.d.3.a **Renter's personal automobile policy.** The renter's personal automobile policy should be reviewed and/or his/her insurance agent consulted.
 - 7.6.3.d.3.b **Rental car company policy.** Coverage offered by the Rental Car Company to cover possible gaps or limitations in the renter's personal automobile policy.
 - 7.6.3.d.3.c **Credit card company policy.** Coverage offered by the renter's credit card company.
 - 7.6.3.d.3.d **Association insurance policy.** The Association's insurance policy and coverage may vary from year to year depending on the policy purchased each term. The Association's coverage should not be considered as the renter's primary coverage. There may be limitations and deductibles that apply. For details on the Association's current coverage, contact the State Office (512-272-4553) and request contact information for the Association's insurance

representative.

- 7.6.3.d.4 **Accidents.** Accidents in vehicles, the cost of which is reimbursable by the Association, must be reported to the Executive Director or State Administrator as soon as practical. In accidents, as with the renter's personal automobile, the renter may be responsible for bodily injuries or property damage that result from the renter's negligent operation of the rental vehicle. The Rental Contract may also hold the renter initially responsible for damage from accidents in which the renter was not negligent. The renter's personal insurance may provide coverage for these damages. Coverage for possible gaps or limitations is discussed in 7.6.3.d.3 above.
- 7.6.3.d.5 **Other Losses.** For non-moving accidents and thefts, the Rental Contract may hold the renter responsible for any damages that occur to the rented vehicle during the contract period. The renter's personal insurance may provide coverage for these damages. Coverage for possible gaps or limitations is discussed in 7.6.3.d.3 above.
- 7.6.3.e **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.
 - 7.6.3.e.1 **Taxi, Limousine and Shuttle Service.** These services are an alternative to the use of rental cars and should be used where appropriate. The type of service chosen should be that which is most cost effective.
 - 7.6.3.e.2 **Public Transportation.** Use of public transportation systems, where available, is encouraged as a cost effective means of transportation.
- 7.6.3.f **Lodging.** Executive Committee members, Committee Chairpersons, volunteers, employees and travelers authorized by the Association will be reimbursed for the actual cost of reasonable accommodations for approved travel.
 - 7.6.3.f.1 **Types of Rooms and Rates.** Single room rates should be requested when reservations are placed, with lodging expenses to be itemized by day on the expense reimbursement request. Weekly or monthly rates should be used when available and favorable. Lodging in the proximity of the visiting location should be sought to minimize the cost of local transportation.
 - 7.6.3.f.2 **Receipts Required.** An itemized hotel bill is required to be submitted.
- 7.6.3.g **Telephone.** Documented expenses for telephone calls related to Association business from the event site will be reimbursed. Documentation should indicate the amount and business purpose of the expense
- 7.6.3.h **Meals.** Association policy provides for the reimbursement of meals for travel of less than one day and with proper itemized documentation with a maximum allowable reimbursement of \$50 per calendar day. Any meal cost in excess of the per diem amount allowed per GSA tables for the city traveling to and / or the maximum allowance stated above may not be reimbursed to the individual. The cost of any meal included in a fee, room and board expense, registration expense, etc. paid for by the Association or the cost of any meal paid for by another

party may not be reimbursed to an individual and will be deducted from any per diem request submitted. Daily meal allowances will be reimbursed per the amount shown on an itemized receipt in accordance with the maximum shown above or the per diem allowed by GSA tables for the city traveling to whichever is lower.

- 7.6.3.i **Cancellations.** As requirements and plans change, it is understood that not all schedules may be met. Only in the most unusual circumstances will a cancellation penalty be considered a reimbursable expense. The traveler has the responsibility to cancel all transportation and lodging reservations.
- 7.6.3.j **Miscellaneous Reimbursable Expenses.** Other reasonable and necessary reimbursable expenses related to Association business travel activities may include: business supplies, tips (15% of meal cost for good service, \$1.00 per bag for a porter or bellhop), passport fees, fax charges, temporary Internet connection fees, and postage or shipping. Expenses submitted as business related entertainment must be approved by the President or Executive Committee.
- 7.6.3.k **Non-Reimbursable Travel Expenses.** The Association will not reimburse travelers for personal expenses such as but not limited to: traffic citations, cost of clothing, medical expenses, entertainment, losses of personal property, grooming expenses, snacks, movies, in-room mini-bar expenses, in-room movie expenses, dry cleaning or any expenses which are for the purchase of alcohol or tobacco products. Exceptions must be approved by the President and / or the Executive Committee.
- 7.6.3.l **Spouse/Friend/Family Member.** Additional costs incurred for spouse/friend/family members accompanying a person on an authorized Association business trip are not reimbursable and are not to be included on the Expense Reimbursement Form. Exceptions must be approved by the President and / or the Executive Committee.
- 7.6.3.m **Personal Travel in Conjunction with Association Travel.** Expenses incurred for personal travel, which are not attributable to Association business, are not reimbursable and are not to be included on the Expense Reimbursement Form.

7.7 CREDIT CARDS

The Executive Director or State Administrator will, with prior approval of the President and Treasurer, maintain a credit card or bank card in a secure location and will provide vendors with the applicable credit card information. The Treasurer will review the credit card statement monthly to verify any charges. The credit card is to be used for securing reservations for lodging, air fare, vehicle rental, and paying for on-line accounts. No personal charges are authorized nor may personal charges be incurred on the Association's credit card or bank card.

7.8 PURCHASE OF EQUIPMENT AND SUPPLIES

- 7.8.1 **Bids.** A minimum of three bids shall be required for all purchases of \$2,000 or more.
- 7.8.2 **Bids in Aggregate.** Bids are required for purchases in aggregate. Individual purchases of items to avoid the minimum bid requirement are prohibited.
- 7.8.3 **Submission.** All bid packages shall be forwarded by the bidder to the State Office and opened by the Executive Director or State Administrator. Copies of the bid package will then be forwarded to the Executive Committee for consideration.

- 7.8.4 **Approval.** The Executive Committee will consider and approve all bid packages. Acceptance of a bid other than the lowest bid may be approved by the Executive Committee provided a valid reason exists to do so.
- 7.8.5 **Bid Retention.** Copies of all bid packages must be kept in the State Office for a period of not less than one (1) year and are to be attached to the purchase voucher for audit purposes.

7.9 ASSET MANAGEMENT

- 7.9.1 **Inventory of Assets.** Prior to the last month of the fiscal year the Office Staff will prepare and/or update an inventory of the physical assets of the Association. Such inventory will include:
- 7.9.1.a Specific description of the asset including brand name, model and serial number;
 - 7.9.1.b The person who has physical control of the asset;
 - 7.9.1.c The location of the asset;
 - 7.9.1.d The purchase price and purchase date of the asset including the check number used for the purchase of the asset;
 - 7.9.1.e If the asset is a Fixed Asset, the previous depreciation amount and the current fair market value of the asset.
- 7.9.2 **Disposal of Assets.**
- 7.9.2.a **Disposal of an Asset Other than a Fixed Asset** must be approved by the Association President and Association Treasurer. Any asset considered unusable to the Association must be photographed and then donated to another 501(c) (3) organization, according to the recommended guidelines of the Internal Revenue Service for a 501(c) (3) organization. The photograph and a receipt of the donation must be retained for audit purposes.
 - 7.9.2.b **Disposal of a Fixed Asset** must be approved by the Executive Committee. Any Fixed Asset considered unusable to the Association must be photographed and the photograph submitted with a letter of explanation to the Association Treasurer. The Treasurer will ask for Executive Committee approval to donate the item to another 501 (c) (3) organization, according to the recommended guidelines of the Internal Revenue Service for a 501(c) (3) organization. The photograph and a receipt of the donation must be retained for audit purposes.
 - 7.9.2.c **Write Off Of Accounts Receivables.** If an account remains outstanding 120 days after it is due, the Treasurer has the discretion, depending on the amount of the outstanding balance, to approve write-off (credit memo issuance) of the invoice or outstanding balance, with the approval of the President.

7.10 SMALL ASSOCIATIONS - GOVERNING BOARD MEETINGS

Small associations (fewer than 1,000 players) shall be reimbursed for one night's lodging at the contracted group rate, one room per association, for the Association's Governing Board meeting.

7.11 OLYMPIC DEVELOPMENT PROGRAM

- 7.11.1 **Rental Vehicles.** Van and car rental expenses for players, coaches and administrators during tryouts, tournaments and camps must be pre-authorized by the Association Executive Vice-President or Association President.
- 7.11.2 **Lodging and Meals.** When room and board is available in dormitories or other common facilities, no coach or administrator shall be reimbursed for lodging or meal expenses during camps or tournaments.
- 7.11.3 **Stipends.** For approved Olympic Development Program activities, Olympic Development Program coaches will be paid the following stipends:
 \$25 per one-half day
 \$50 per full day
 \$75 per full day for two or more consecutive full days

7.12 COACHING DEVELOPMENT PROGRAM

- 7.12.1 **Lodging.** Expenses for lodging shall be reimbursed to Staff Coaches whose activity is outside their own city, town or suburb of residence.
- 7.12.2 **Mileage.** Expenses for mileage shall be reimbursed to Staff Coaches whose activity is ten miles or more each way from the point of departure to the activity.
- 7.12.3 **Meals.** Expenses for meals will be reimbursed to Staff Coaches according to Section 7.6.3.h of this Financial Policies and Procedures.
- 7.12.4 **Stipends.** Staff Coaches will be paid the following Clinician stipends:
 D License (36 hours of instruction) - \$1,050
 E License (18 hours of instruction) - \$700
 Age-level Module License (5 hours of instruction) - \$150
 U10/U12 Module License (6 hours of instruction) - \$200
 Goalkeeping License (8 hours of instruction) - \$150

7.13 STATE-LEVEL COMPETITION

- 7.13.1 **Referee Reimbursement Rate.** The State will reimburse referee expenses to a Member Association that hosts State sponsored competitions.
 Reimbursement for referee fees at District level competitions will be allowed for Fall Championship and South Texas Cup games.
 Reimbursement for referee fees at State level competitions will be allowed for Fall Championships, USYSNC State Cup, President's Cup, Director's Cup and South Texas Cup games. Reimbursement rates are as follows:
 Under-15 thru Under-19 Division I, Super II, II, III \$110 / game

Under-11 thru Under-14 Division I, Super II, II, III \$90 / game

The reimbursement rate for a standby referee, when required in Section 5.3.1d, District and State Playoff Rules and Procedures, will be \$20 for each 4 game set and calculated as follows: Total # of games divided by 4 times \$20. (48 games divided by 4 = 12 times \$20 = \$240.)

The reimbursement rate for a Fourth Official, when required in Section 5.3.1d, District and State Playoff Rules and Procedures, is as follows:

Under-14 thru Under-19 Division I, Super II, II \$20 / referee

Under-11 thru Under-14 Division I, Super II, II \$20 / referee

- 7.13.2 **Hosting Expenses.** In addition to the allowed reimbursements for referee expenses, all other expenses incurred during hosting the District and State Championship Tournament games of the Fall Championships, South Texas Cup, Director's Cup and President's Cup, as applicable, will be reimbursed to a Member Association at the following rates:

District Games \$100 per team participating

State Games \$150 per team participating

Expenses incurred in hosting the USYSNC State Cup will be reimbursed per the guidelines in the STYSA USYSNC State Cup Manual. No per game hosting fees will be paid USYSNC State Cup.

- 7.13.3 **Game Card Submission and Expense Reimbursement.** The host association must submit completed game cards from the Tournament to the State Office within thirty (30) days of the final day of the tournament. Office Staff will complete the Expense Reimbursement Request based upon the number of game cards submitted and teams participating.

7.14 **501(c) (3) Group Exemption**

Consistent with maintaining the Association's group exemption under section 501(c) (3) of the Internal Revenue Service (IRS) Code and as stipulated in Section 1.3.11 of the Association's Constitution, each Named Subordinate of the Association must comply with the following:

- 7.14.1 Each calendar year between March 1 and May 15, the following information must be confirmed or corrected:
- 7.14.1.a Complete name
 - 7.14.1.b Address
 - 7.14.1.c Employer identification number (EIN)
 - 7.14.1.d Form 990 filing requirement code (Code 1 indicates annual gross receipts of over \$25,000; Code 2 indicates annual gross receipts of \$25,000 or less.)
- 7.14.2 Following the close of the fiscal year of each Named Subordinate, the Association requires the following:
- 7.14.2.a Each Code 1 Named Subordinate must submit to the State Office a copy of its last completed IRS Form 990 that has been submitted to the IRS.

7.14.2.b Each Code 2 Named Subordinate must submit to the State Office a copy of its last annual financial report showing all receipts and all expenditures.

7.14.3 Failure to comply with these requirements may result in the Named Subordinate being removed from the Association's list of 501(c) (3) Named Subordinates.

7.15 **AMENDMENTS TO POLICY**

These financial policies may be amended at any regular or special meeting of the Executive Committee by a majority vote of those members present and eligible to vote. These financial policies may be amended at any Governing Board Meeting by a majority vote of those members present and eligible to vote.