

# FCYSL Financial Policy

## **Philosophy**

The purpose of this financial policy is to establish guidelines and procedures for managing the finances of the Four Corners Youth Soccer League, ensuring financial transparency, accountability, and sustainability. This policy aims to provide a clear framework for financial operations, budgeting, reporting, and oversight to maintain trust with stakeholders, including parents, players, sponsors, and donors.

## **Authority**

The Board of Directors is ultimately responsible for the financial management of all activities including approving the annual budget and financial statements. The Treasurer is authorized to act on the Board's behalf on financial matters when action is required in advance of a meeting of the Board of Directors as defined below.

- The Treasurer is responsible for the day-to-day financial management of the organization. The Board authorizes the Treasurer to pay bills, receive funds, and maintain bank accounts.
- The Treasurer is authorized to sign checks up to \$1,000 or approve electronic forms of payment up to that amount. Checks for amounts greater than \$1,000 or electronic forms of payment for amounts greater than \$1,000 shall require the signature or written approval of the Executive Director or Board Chair.
- The Treasurer is authorized to enter into contracts for activities that have been approved by the Board as a part of budgets or plans. The Board of Directors must authorize any contracts outside of these parameters and all contracts with a financial value greater than \$1,000.
- The Treasurer is authorized to manage expenses within the parameters of the overall approved budget, reporting to the Finance Committee on variances and the reason for these variances.
- The Board of Directors must approve any use of the board designated cash reserve fund.
- The treasurer will Chair the Financial Committee.

## **Financial Committee**

- The financial committee shall be composed of board members or league members with financial expertise, will oversee financial operations and review financial reports.
- The Finance Committee will review budget performance on a quarterly basis and report to the Board. Any significant variances from the budget will be addressed promptly.

## **Responsibilities**

### THE TREASURER SHALL:

- Account for donor restricted and board designated funds separately from general operating funds, and clearly define the restrictions applicable to these funds.
- Report the financial results of FCYSL operations according to the schedule established by the Finance Committee, but at least monthly.
- Pay all obligations and file required reports in a timely manner.
- Make no contractual commitment for bank loans, corporate credit cards, or for real estate leases or purchases without specific approval of the Board.
- Record fixed assets with purchase prices greater than \$500 as capital assets in accounting records.
- Depreciation of capital assets will not exceed five years for furniture and equipment or three years for computer and other technology equipment.
- Limit vendor credit accounts to prudent and necessary levels.
- Obtain competitive bids for new services or changes in vendors for items or services costing over \$5,000 per unit. Selection will be based on price, service, and other contractual terms.

FCYSL may award the bid to any provider and is not required to accept the lowest cost proposal.

### **The Board of Directors shall:**

- Review financial reports at each board meeting.

- Provide adequate training to members to enable each member to fulfill his or her financial oversight role.

#### FINANCIAL TRANSACTIONS WITH INSIDERS

No advances of funds to employees, officers, or directors are authorized with the exception of pre-determined per diem allowances for travel expenses incurred while fulfilling their board-approved responsibilities.

In no case shall FCYSL borrow funds from any employee, officer, or director of the organization.

#### **Budget**

In order to ensure that planned activities minimize the risk of financial jeopardy and are consistent with board-approved priorities, long-range organization goals, and specific five-year objectives, the Treasurer shall:

- Submit operating and capital budgets to the Finance Committee in time for reasonable approval by the Board prior to each fiscal year.
- Use responsible assumptions and projections as background, with the general goal of an unrestricted surplus.

#### **Gift Acceptance**

FCYSL shall accept contributions of goods or services other than cash that are related to the programs and operations of FCYSL. Any other contributions of non-cash items must be reviewed and approved by the Board of Directors before acceptance.

#### **Asset Protection**

In order to ensure that the assets of FCYSL are adequately protected and maintained, the Treasurer shall:

- Insure against theft and casualty losses to the organization and against liability losses to Board members, staff, or the organization itself to levels indicated in consultation with suitable professional resources.
- Plan and carry out suitable protection and maintenance of property, building, and equipment, including locking up checks.

- Avoid actions that would expose the organization, its board, or its staff to claims of liability. This includes having two people count cash for deposits, having bank statements reviewed by two or more board members each month, and having two signatures on checks.
- Protect intellectual property, information, and files from unauthorized access, tampering, loss, or significant damage.
- Receive, process, and disburse funds under controls that are sufficient to maintain basic segregation of duties to protect bank accounts, income receipts, and payments