



FLORIDA YOUTH SOCCER ASSOCIATION, INC.

FINANCIAL POLICIES AND PROCEDURES

1.0 DEFINITIONS

- A. "FYSA" means Florida Youth Soccer Association.
- B. "BOD" means FYSA Board of Directors.
- C. "Affiliate" means an entity recognized as an official member of the FYSA.
- D. "Officer" means any person specified as an Officer in the FYSA Bylaws or Constitution.
- E. "Fiscal Year" is recognized as being from September 1st through August 31st of each calendar year.
- F. "Administrative Officers" means the President, Vice President of Coach and Player Development, Secretary, and Treasurer of FYSA.
- G. "Finance Staff" means any employee of FYSA whose job title includes the terms "finance" or "financial" or whose job duties are financial in nature.
- H. "Bank" means any commercial bank or credit union with federal insurance.
- I. "Volunteer" means a person who freely offers to take part in FYSA events for no monetary compensation.
- J. "Employees" meaning a full or part-time paid staff member of FYSA.
- K. "Independent Contractor" meaning a self-employed person or entity contracted to perform work for, or provide services to, FYSA as a non-employee.

2.0 PURPOSE

The objective of the Financial Policies and Procedures is to establish general financial policies and procedures that enable FYSA to perform its mission in a reasonable and consistent manner such that FYSA's perpetual existence and continued financial security is ensured while maximizing the benefits provided to its Affiliates. Crucial to the continued existence and operation of FYSA is responsible management that maintains FYSA's tax-exempt status with the federal government. FYSA shall conduct its business in accordance with all applicable laws at all times.

3.0 FINANCIAL ACCOUNTS

- 3.1.1 All income of FYSA shall be deposited into and all expenses shall be paid from accounts in the name of FYSA.
- 3.1.2 The Association shall have the following accounts:
 - A An operating account or checking account which is exempted from bearing interest;
 - B A secondary checking account for the deposit and transfer of online and credit card payments which is exempted from bearing interest;
 - C Money market or savings account which shall be interest bearing;
 - D Investment accounts as necessary and recommended by the BOD which shall be managed in a prudent and reasonable manner; and
 - E Office account or "petty cash" for the FYSA Office which may not contain more than one thousand U.S. dollars (\$1,000.00). FYSA's Executive Director shall supervise the account. FYSA's longest serving Finance Staff member shall maintain this account.
- 3.1.3 The FYSA Office shall maintain the accounts of FYSA. All operating, checking, and savings accounts must be placed in institutions with federal insurance.
- 3.1.4 The four (4) Administrative Officers will be signatories on all FYSA accounts.
- 3.1.5 The credit limit for all FYSA credit card limits shall be \$5,000. Please provide 48 hours or greater notice in the event a temporary increase is requested. A request for a temporary increase to the credit limit must be submitted in writing to the Executive Director, Treasurer or Financial Specialist and must include a business justification, an estimate of the increase required, and an overview of the goods or services to be purchased.

4.0 BUDGETING AND FINANCIAL REPORTING

4.1 BUDGET

- 4.1.1 The FYSA Treasurer shall be responsible for providing a proposed budget for a vote of the BOD at a meeting thereof to occur between April and June.

4.1.2 The BOD must approve the proposed budget by a majority vote. The proposed budget approved by the BOD must be submitted to the Affiliates at the Annual General Meeting for ratification.

4.1.3 All proposed budget amendments are to be submitted in writing thirty (30) days prior to a properly scheduled meeting of the BOD. The written proposal must be submitted to the Treasurer and the Secretary. The Secretary will provide a copy of the proposal to the BOD no less than fourteen (14) days prior to the meeting during which a vote will take place. The Treasurer will present the proposal to the BOD with a recommendation. A proposed budget amendment will be adopted if a majority of the BOD votes affirmatively.

4.2 FINANCIAL REPORTING

4.2.1 The Finance Staff will prepare financial statements as soon as possible after the end of each month comparing actual revenues and expenses with budgeted revenues and expenses. The following reports and statements will be provided to the Treasurer upon demand after the tenth day of each month:

- A Balance sheet
- B Year to Date financial statement
- C Copies of statements for all bank and investment accounts
- D Updated approved budget with planned and actual income and expenses
- E Change of Status
- F Accounts receivable
- G Accounts payable
- H Credit card statements
- I Petty cash account usage/balance

4.2.2 The Treasurer shall provide an updated Year to Date Financial Statement at every meeting of the BOD.

4.2.3 The Treasurer shall ensure any member of the BOD requesting any financial record of FYSA is provided with a copy thereof within thirty (30) days. Such records may be redacted to remove sensitive information, including, without limitation, full account numbers, social security numbers, and tax identification numbers.

4.2.4 All individuals or entities providing a service which is compensated by FYSA must complete and provide Internal Revenue Service Form W-9 prior to any compensation being paid, regardless of the amount of the individual's expected or estimated annual earnings from FYSA.

4.2.5 The Finance Staff shall promptly notify the Executive Director and Treasurer of any payments returned for insufficient funds. The Finance Staff will thereafter collect an administrative fee of twenty-five U.S. dollars (\$25.00) from the party responsible for the insufficient funds.

4.2.6 All financial records of FYSA shall be maintained for seven (7) years and stored at the FYSA Office or a secure third-party location designed for storage of such records.

4.3 AUDITS

4.3.1 A full audit shall be conducted by a reputable accounting firm in all calendar years ending in an odd number. A review shall be conducted by a reputable accounting firm in all calendar years ending in an even number.

4.3.2 All FYSA staff and members of the Board of Directors shall fully comply with all reasonable requests by the auditor(s) within a reasonable period of time. A failure to do so will subject the individual to discipline up to, and including, termination of employment or removal from office.

4.3.3 The Board of Directors shall select the reputable accounting firm based on a majority

vote, except that the firm shall either have a Central Florida office or not charge FYSA any additional amount due to the lack of a Central Florida office. For example, FYSA will not incur costs related to travel for an accounting firm based in Atlanta, Georgia.

4.3.4 The results of all audits and reviews shall be provided to the Board of Directors at the next meeting thereof and shall be made available to any Affiliate's Agent of Record upon request.

5.0 FINANCIAL CONTROLS

5.1 GENERAL PRINCIPLES

5.1.1 FYSA shall conduct its business in accordance with all applicable laws at all times.

5.1.2 FYSA shall conduct its business in a manner which shall not jeopardize its tax-exempt status.

5.1.3 FYSA shall conduct its financial affairs in accordance with Generally Accepted Accounting Principles.

5.2 FINANCE STAFF

5.2.1 No member of the Finance Staff may be disciplined in any manner, including, but not limited to, reprimand or termination, without consulting the Treasurer and receiving a vote of seventy five percent (75%) or greater of the BOD in favor of such discipline. The purpose of this safeguard is to ensure that no member of the Finance Staff's decisions are influenced by the perception that an unfavorable decision will be met with discipline by the individual receiving the unfavorable decision or any other person.

5.2.2 The Finance Staff is to operate independent of any such influence and shall never fear that flawless execution of their duties will subject them to any negative consequence, including, but not limited to, discipline, harassment, or exclusion. Any individual whom takes any negative action against any member of the Finance Staff as a result of an unfavorable decision against that individual or another shall be subject to discipline up to, and including, termination of employment and removal from office.

5.3 SAFEGUARDING OF ASSETS

5.3.1 The Executive Director has responsibility for the physical security of assets as follows:

- A Valuable assets will be kept in a locked safe or a bank deposit box.
- B Bank deposits shall be made frequently and the same day whenever possible.
- C Blank check stock shall be kept in a secure locked location when not being used.
- D Assets and potential liabilities should be adequately insured.
- E Fixed assets will be given an identifying mark at the time of acquisition and then inventoried annually thereafter.
- F There will be adequate computer security measures. The Executive Director shall review the measures annually and provide a report with recommendations to the BOD at the AGM.
- G The FYSA Finance Staff shall keep the office credit card(s) in a locked safe when not being used.
- H Checks received by the organization should be immediately restrictively endorsed.

5.3.2 The Executive Director will perform a physical audit of all property at least yearly, including, without limitation, property kept at locations maintained by a third party (i.e., bank deposit box, storage units).

5.3.3 The Treasurer is responsible for the segregation of duties. Duties shall be segregated as required by the risk the duty is deemed to pose.

5.4 EXPENDITURE AUTHORIZATION

5.4.1 In order to expend or obligate any funds on behalf of FYSA, written pre-authorization must

be obtained in accordance with the authorization matrix immediately below unless such funds are a payroll obligation, vital to the operation of FYSA, a tax obligation, or paid in accordance with a specific dollar amount contained in these Policies and Procedures. It is impermissible to break up a transaction into separate transactions to avoid the limits set forth herein.

	Less than \$2,000.00	\$2,000 or greater but less than \$5,000	\$5,000 or greater but less than \$10,000	\$10,000.00 or greater
Executive Director	X	X	X	
Treasurer		X	X	
Administrative Officers			X	
Full BOD				X

FYSA shall never incur costs unrelated to a proper and lawful business purpose. The use of FYSA funds for personal obligations is absolutely prohibited, even if later repaid, and may result in the suspension or revocation of FYSA credit card privileges and further discipline up to, and including, termination of employment or removal from office.

5.4.2 FYSA requires no less than three quotes be sought for any purchase to exceed \$1,000 unless an agreement for such goods or services has previously been approved by the BOD or there are unforeseen or emergency circumstances which shall be verified by the Executive Director and no less than two of the Administrative Officers. In the event the purchase is less than \$10,000 and less than three quotes are received after a forty five (45)-day period, then a decision shall be made based on the quote(s) received without the need for three to be considered. Any attempt to circumvent this policy by breaking what would otherwise be an aggregate purchase in excess of \$1,000 into multiple, smaller purchases to avoid this requirement shall result in disciplinary action, up to and including termination of employment or removal from office.

5.5 PAYROLL

5.5.1 Payroll shall be managed by an independent third-party entity and paid in accordance with those limits set no less than annually by the BOD.

5.5.2 Payroll information is strictly confidential. The Executive Director, the employee's direct supervisor, and Finance Staff are the only employees to have knowledge of the salaries and benefits of other FYSA employees.

6.0 BUSINESS EXPENSES

6.1 LODGING

6.1.1 When available, an individual traveling on behalf of FYSA must stay at a host hotel, unless all host hotels are found to be inadequate or at a grossly unreasonable cost. When a host hotel is not available, an individual traveling on behalf of FYSA must seek adequate alternate housing at a reasonable cost.

6.1.2 The reasonable cost of lodging is based on market conditions, including, without limitation, location, date, coinciding events, and advance notice prior to booking. Any hotel room cost in excess of two hundred fifty dollars (\$250.00), excluding taxes and fees, per night must be pre-approved in writing by the Treasurer, President, or Executive Director. Any hotel room to be booked less than one (1) week (seven (7) calendar days) prior to the stay must be pre-approved in writing by the Treasurer, President, or Executive Director.

6.1.3 Adequate lodging is meant to exclude establishments which lack basic necessities, are considered unsafe or unsanitary, or are otherwise unsuitable for the nature of the visit (i.e., a coach traveling with young players may require indoor hallways).

6.1.4 Internet connectivity is a permissible lodging expense. However, if free internet connectivity

is available in the guestroom, enhanced internet connectivity is not a permissible expense. Laundry expenses are permissible for a trip longer than five (5) consecutive nights.

- 6.1.5 Lodging is available when an individual traveling on behalf of FYSA would be forced to make a one-way trip in excess of fifty (50) miles from the individual's primary residence or an individual is traveling in excess of thirty (30) miles and there is less than 10 hours of time between returning to the same location on consecutive days. Should there be a question regarding an individual's primary residence, it shall be that address which the individual designates as his or her primary residence with the U.S. Government for the purpose of federal taxation.
- 6.1.6 In the event a one-way trip is in excess of fifty (50) miles from the individual's primary residence, FYSA shall incur the cost of lodging the night before FYSA business if the start of FYSA business would result in the individual leaving his or her primary residence earlier than 6:00 a.m. In the event a one-way trip is in excess of fifty (50) miles from the individual's primary residence, FYSA shall incur the cost of lodging for the night if the expected or actual conclusion of FYSA business would result in the individual arriving at his or her primary residence later than 9:00 p.m.
- 6.1.7 In the event lodging is otherwise necessary and permitted and an individual chooses to seek a non-commercial arrangement, including, without limitation, staying at the home of a relative or friend, the individual shall be entitled to no compensation or reimbursement in lieu of commercial lodging.
- 6.1.8 Individuals traveling on FYSA business are entitled to keep all non-cash benefits associated with such travel so long as it does not increase the cost incurred by FYSA.
- 6.1.9 When a hotel is procured per the aforementioned criteria, mileage reimbursement (6.3.1.7) will only be afforded for the mileage from the individual's residence to the hotel or event location (whichever further) round trip.

6.2 MEALS

- 6.2.1 For purposes of Section 6.2, a "meal" includes all food (inclusive of appetizers, soups, salads, entrees, sides, and desserts) and beverage (non-alcoholic). For example, if FYSA incurs dinner costs for three individuals, then the total bill, excluding only service gratuity and tax, shall not exceed one hundred fifteen U.S. dollars (\$115.00).
- 6.2.2 FYSA shall never incur expenses in excess of fifteen U.S. dollars (\$15.00) per individual for a breakfast meal. A single meal consumed between 5:00 a.m. and 11:00 a.m. will be considered breakfast.
- 6.2.3 FYSA shall never incur expenses in excess of twenty-five U.S. dollars (\$25.00) per individual for a lunch meal. A single meal consumed between 11:00 a.m. and 3:30 p.m. will be considered lunch.
- 6.2.4 FYSA shall never incur expenses in excess of forty U.S. dollars (\$40.00) per individual for a dinner meal. A single meal consumed between 3:30 p.m. and 11:00 p.m. will be considered dinner.
- 6.2.5 Only actual expenses, up to the values stated in 6.2.2, 6.2.3, and 6.2.4, will be paid or reimbursed by FYSA.
- 6.2.6 A service gratuity must be reasonable and shall never exceed twenty percent (20%).
- 6.2.7 The limits set forth herein may only be altered: (1) by seeking an advance vote of approval from the majority of the BOD eligible to vote at a properly noticed meeting; or (2) if an individual acting on behalf of FYSA is required, in the course of his or her duties, to consume a meal in excess of the allowable cost because no reasonable meal within the allowable cost was available within a reasonable distance. (3) At a previously announced special event of FYSA (i.e. The Annual General Meeting) where it is known by the FYSA Board of Directors

that meal limits will not be reasonable.

- 6.2.8 Any individual exceeding the allowable amount will be personally responsible for all expenditures over the allowable amount, regardless of the payment method. Any such payment must be made within fifteen (15) calendar days.
- 6.2.9 FYSA shall not incur the cost of a meal for a spouse, significant other, or other relative without an advance vote of approval from the majority of the BOD eligible to vote at a properly noticed meeting. Unless the spouse, significant other, or other relative has served FYSA as a volunteer for a minimum of three (3) hours on the day of the meal is to be procured. Should the spouse, significant other, or other relative be eligible for a meal, they shall adhere to all other standards set forth by this policy.
- 6.2.10 An individual may only consume a single breakfast meal, single lunch meal, and single dinner meal in a calendar day. However, if an individual is acting on behalf of FYSA for less than a full day, only those meals occurring during the time spent conducting FYSA business will be paid by FYSA.
- 6.2.11 FYSA shall not incur costs for alcohol. Regardless, an individual may never consume any alcohol, paid for personally or otherwise, prior to when the individual will act on behalf of FYSA in the direct or indirect presence of minors/children. An individual may never consume any alcohol, even if FYSA does not pay for the alcohol, if the individual is operating any vehicle owned, leased, or rented by, or on behalf of, FYSA. An individual must always obey all laws related to the operation of a vehicle after consuming alcohol, but this paragraph (6.2.12) shall always apply, even if more strict than the law. In the event an individual consumes alcohol and is then unable to operate a vehicle per this policy or the law, FYSA shall never be responsible for the costs incurred in finding an alternate means of transportation, even if required to seek such means solely as a result of this policy. Alcohol is not vital to the mission of FYSA; therefore, FYSA shall not incur expenses necessitated by an individual's personal choice to consume alcohol.
- 6.2.12 Alcohol may only be purchased by FYSA by seeking an advance vote of approval from the majority of the BOD eligible to vote at a properly noticed meeting.

6.3 TRANSPORTATION

6.3.1 AIR TRAVEL

- A FYSA will cover the costs associated with reasonably priced air fare in the coach cabin when procured for a proper and lawful business purpose. The reasonable cost of air travel is based on market conditions, including, without limitation, location, date, and advance notice prior to booking. Any air fare cost in excess of five hundred dollars (\$500.00), excluding taxes and fees, must be pre-approved in writing by the Treasurer, President, or Executive Director. Any air fare to be booked less than two (2) weeks (fourteen (14) calendar days) prior to the departure date must be pre-approved in writing by the Treasurer, President, or Executive Director.
- B Enhanced Economy, Business Class, and First Class tickets are not permitted at FYSA's expense. Section 6.2 (Meals) is applicable to air travel.
- C FYSA must cover the costs associated with a single checked bag and a single carry-on bag unless there is a proper business justification for additional bags.
- D In-flight Wi-Fi for any flight segment over two (2) hours is a permissible cost.
- E FYSA is not responsible for the costs associated with in-flight entertainment options, early boarding fees, or airline club.

6.3.2 GROUND TRANSPORTATION

- A FYSA will cover the costs associated with ground transportation when used in

connection with a proper and lawful business purpose.

- B Reimbursable incidentals related to ground travel include mileage reimbursement for personal vehicle usage, tolls while traveling in a personal or rental vehicle, and fuel for rental vehicles. Reimbursement for the use of personal vehicles will be made at the Internal Revenue Service mileage rates and is intended to include all costs associated with operating the vehicle to include, without limitation, fuel, wear and tear, and personal vehicle insurance for BOD, volunteers, and employees. Documentation must be included to support the mileage reimbursement requested. Receipts are required for all fuel and tolls. Independent Contractors shall be reimbursed at a rate determined by the FYSA President, Treasurer, and Executive Director.
- C Reserved.
- D Employees may only receive mileage reimbursement or use a rental vehicle when the one-way mileage will exceed that of the one-way mileage from his or her residence to his or her normal work location (likely the FYSA office). Additionally, employees may never receive mileage reimbursement for travel to the FYSA office when they are otherwise being paid their normal or overtime wage.
- E If a rental vehicle is to be used, a midsize or intermediate vehicle is permitted for one or two FYSA individuals and a full-size vehicle is permitted for three or more FYSA individuals. Whenever possible, rental vehicles must be returned with a full tank of fuel. GPS and Satellite Radio services must be declined.
- F A valid driver's license in good standing is required for anyone operating any vehicle while acting on behalf of FYSA.
- G Public or commercial ground transportation, which includes, but is not limited to, ride sharing services (i.e., Uber), subways, rail, taxis, or cabs, expenses are permissible in the event the use of a vehicle is impractical or a vehicle was not otherwise brought or rented.
- H Valet parking must be avoided whenever alternate parking options are reasonably available.
- I FYSA shall never be responsible for fines for infractions of law associated with the operation of a vehicle on behalf of or while conducting FYSA business.

6.4 INCIDENTALS

Incidental expenses associated with FYSA business are permissible expenses so long as they are reasonable. A receipt shall be required for all incidental expenses in excess of five U.S. dollars (\$5.00). Incidental expenses for which a receipt is not produced shall never exceed ten U.S. dollars (\$10.00) per day.

6.5 EXPENSE REPORTS AND REQUIRED DOCUMENTATION

- 6.5.1 All expense reimbursement requests must be submitted to the FYSA Office no later than sixty (60) days from the date the expense was incurred. Any expense submitted between day 61-120 will be paid at 80%. No reimbursement will be available after 120 days.
- 6.5.2 Except where otherwise specified in Section 10, a detailed, itemized receipt must be provided for all expenses, whether placed on the FYSA credit card or paid by the individual. All receipts must include the name of the establishment or provider, address, date, name of all individuals for which the expense was incurred, the type of expense if it is not otherwise identified (i.e., lunch, dinner), the corresponding budget item (i.e., AGM, State Cup), and the business purpose or justification. Except where otherwise specified in Section 10, no expense will be paid or reimbursed without a detailed, itemized receipt with all pertinent information contained thereon.
- 6.5.3 The Treasurer may require a particular format for the expense reimbursement request so long

as such format is reasonable.

6.5.4 Expense reimbursement requests and receipts for expenses paid directly by FYSA, via the FYSA credit card or otherwise, must be approved by the following individuals prior to submission to the FYSA Office:

- A The Treasurer for Vice President and above BOD members as well as Officers
- B The majority of the remaining Administrative Officers (President, Secretary, and VP of Coach & PlayerDevelopment) for the Treasurer.
- C The applicable Region Vice President for Regional Commissioners.
- D The committee chairperson for committee members.
- E The Treasurer for any Director level or higher FYSA employee.
- F The employee's supervisor or the Executive Director for FYSA employees below the Director level.

6.5.5 Paragraph 6.5.4 specifies the approver upon submission of an expense reimbursement request and is not meant to replace the expenditure authorization matrix contained in Subsection 5.4. Paragraph 6.5.4 is in addition to the pre- authorization requirements contained in Subsection 5.4.

6.5.6 In the event an expense is denied, the individual can appeal to the BOD. The denial can be overturned with the approval of a majority of the BOD eligible to vote.

6.6 PROHIBITED EXPENSES

6.6.1 FYSA shall never incur costs unrelated to a proper and lawful business purpose. The use of FYSA funds for personal obligations is absolutely prohibited, even if later repaid, and may result in the suspension or revocation of FYSA credit card privileges and further discipline up to, and including, termination of employment or removal from office.

6.6.2 FYSA shall never incur costs to provide any member of the Board of Directors, elected or appointed, with cash or a cash equivalent (i.e., gift card) unless it is per the expense reimbursement policy in Section 10 or as an advance to cover expected business costs, including, without limitation, providing a Publix Supermarkets gift card to cover lunch for a competition site.

6.6.3 If an entity only accepts payment by card, the FYSA Office is capable of making payment in such a manner.

6.7 POLICY VIOLATIONS

6.7.1 All violations of the FYSA Financial Policies and Procedures shall be reviewed by the FYSA President, Treasurer, and Executive Director. Possible sanctions shall include but not limited to:

- Letter of reprimand
- Deactivation of FYSA credit card (if applicable)
- 20% violation penalty (for impermissible expenses based on the cost including or excluding the original cost)