

COMMONWEALTH SOCCER CLUB

Finance Committee Charter, Policies and Procedures

- 1) **Purpose: The Finance Committee** shall be responsible for the strategic and tactical financial management of the club, adherence to and development of all policies as outlined in the “Finance Policies and Procedures” amendment to the Bylaws. The duties of the committee include preparation of the budget for board approval. Periodic updates of budget projections should be submitted at regular meetings along with providing other manner of reporting as needed. The committee must provide for the oversight of cash management, funds disbursement and investment strategy for the club. Subcommittees may be formed to address issues of Planning and Priorities, fund raising, sponsors and all other financial aspects of the club. The Treasurer will be a member of this committee and its membership recommended to the Board by the Treasurer for approval.

- 2) **Objective:** The objective of these financial policies and procedures is to provide consistent application of conduct and proper internal controls to safeguard Club assets while performing the duties as described in the Club's bylaws. To this end, all funds raised and dispersed in the name of C.S.C. are within the acceptable practices of all 501c(3) tax exempt organizations.

- 3) **Definitions:**
 - "Club" means the Commonwealth Soccer Club, its affiliates or its assigns (C.S.C.)
 - "Line item" means a specific line with corresponding amount in the Club budget. Normally there are several line items within a Program area of the Club budget.
 - "Program" means the operation of a specific officer, committee, or office of the association. It normally is an area containing at least several line items within the Club budget.
 - "Fiscal Year" includes Fall season of current year and Spring season of next year.

- 4) **Budgetary Process:**
 1. **Initial Budgets.**
 - a) **Generation.** The next fiscal year's budgets of all officers of the Club shall be initially generated by the Finance Committee
 - b) **Distribution.** These initial, line item budgets shall be submitted to the officers for review, proposed revision, and comments.
 - c) **Proposed Changes.** Officers must submit changes to the Treasurer, by means of written requests for budget changes, 60 days prior to the beginning of the fiscal year. Any proposed change must contain:
 - (1) the full, initial budget for the officer;
 - (2) the requested change;
 - (3) the budget totals for each line item as modified;
 - (4) a detailed explanation and justification for each requested change; and
 - (5) source for funding for the proposed change.

2. **Finance Committee.** The Finance Committee shall review the proposed Budget, including changes, and shall submit it to the Association's Board of Directors 30 days prior to the beginning of the fiscal year.
3. **Budget.** The proposed budget must obtain Board approval annually. The approval process should follow the standards and practices of Board approval as outlined in the organization bylaws.
4. **Budgetary Amendments.** Once the Budget has been approved by the Club's Board of Directors, any changes to the budget must be accomplished through the budget amendment process.
5. **Request for Amendment.** Requests for budget amendments shall contain those requirements listed in section 4.1 (1) through (5).
 - a) **Request Submission.** Each request shall be first submitted in writing to the Treasurer. The Treasurer will review the request with the Finance Committee for economic impact upon the Association's budget and recommend action to the Board of Directors. All submitted amendments must be reviewed and voted upon by the Board of Directors.
 - b) **Board of Directors.** Upon receipt of the proposed budget amendment and recommendations from the Treasurer, the Board of Directors shall consider the amendment at its next scheduled meeting. The Board of Directors must approve the amendment per the process identified in Section 4(3). In the event urgency is required, approval may be obtained by telephone conference or other communication media.

5) Management and Control:

1. Handling of the Club's Funds and Division of Responsibilities:

- a) **Treasurer.** The Treasurer shall process and handle the receipt of all income and payment of all expenses of the Association, with oversight by the Board of Directors.
- b) **Signatories and Approved Handlers.** Any additional signatories for disbursement of funds or approved handlers shall be recommended by the Finance Committee and approved by the Board of Directors.

6) Operating Accounts:

1. **Operation of Accounts.** Accounts shall be opened and operated to insure funds are managed under acceptable practices of all 501c(3) tax exempt organizations.
2. **Maintaining Operating Account.** The operating account of C.S.C. shall be maintained by the Finance Committee. All income specified by the Bylaws and any other income from sales, sponsorships, donations shall be recorded and deposited into these accounts. All expenses shall be paid by check drawn upon these accounts. Expenses will be paid from the operating accounts according to the procedures outlined as follows:
 - a) **Real Property and Field Agreements.** Purchase or lease(rental) of real property requires Finance Committee approval, then Board approval. Real property consists of but not limited to buildings, building improvements, and land.

- b) **Expenses.** All bills are either mailed or hand delivered to the Treasurer. The Treasurer will date stamp each invoice received. The Treasurer will match the invoice to the corresponding purchase request. All bills require the approval of the head of the applicable program via signature or e-mail prior to payment. This is to insure the correct items were received, returns have not been made, and pricing is correct. Upon approval, the Treasurer will generate a check for the approved amount, obtain appropriate signature on the check, and mail the payment to the party.
- c) **Location of Accounts.** Operating accounts must be held in financial institutions insured by the Federal Deposit Insurance Corporation (FDIC) or by another federally insured institution. The Finance Committee shall be mindful that the account shall not exceed the maximum insurable amount.
- d) **Signatures Required.** Checks for payment of expenses shall be written by the Treasurer and signed by the Treasurer if the amount of the check does not exceed **\$1000.00**. If the Treasurer is unavailable, the check will be signed by the Club Administrator. For checks exceeding **\$1000.00**, two signatures are required.
- e) **No Payment Over Budget.** Payments will not be allowed if they are not covered by the approved Budget. Any payment not meeting above criteria, shall be made either paid by the individual creating the unauthorized payable or by following the budget amendment process of the Club with approval by the Board of Directors as stated in Section 4.

7) Reporting

1. **Treasurer's Report.** The Treasurer will create and distribute a report to the Board of Directors on a monthly basis regarding the financial activity of the Club.
2. **Budget Comparison Report.** The Treasurer will create and distribute a report to the Board of Directors on a monthly basis.
3. **Annual Financial Statements.** The Treasurer will prepare and submit to the Board of Directors for approval. These statements shall include year-end Income Statement along with other financial statements deemed applicable.
4. **Tax Reporting.** The Club's fiscal year will be from July 1 – June 30. To maintain the Club's 501(c)3 status, the Treasurer shall make preparation for and filing of IRS form 990 within 90 days following the Club's fiscal year end.
5. **State & Local filings.** The finance committee will be responsible for filing and updated all organizational paperwork to remain in good standing as a registered non-profit corporation. (Secretary of State filings, for example)
6. **Other Reports as needed.**

8) Fees

1. **The Parent/Player Commitment Agreement.** The fee structure and refund policies for the Club are outlined in the "Parent/Player Commitment Agreement". That agreement is to be reviewed annually by the Finance Committee and submitted for Board of Directors approval prior to the fall tryouts.
2. Any exceptions to fee payment as outlined in the Parent/Player commitment Agreement must be approved by the Treasurer and managed by the Finance Committee.

9) Compensation

- 1. Independent Contractors Compensated, Information to be provided to C.S.C.** All individuals providing a service which is compensated by C.S.C. must provide name, address, social security or E.I.N. to the Treasurer for the purpose of filing IRS Form 1099.
- 2. Employees.** Coaches, Management and/or any other paid positions must submit a W-4 for payroll purposes.
- 3. Salary originating from Team Assessment.** Teams are allowed to supplement coach salary through additional assessment upon written approval of each member family. **NO COMPENSATION CAN BE PAID FROM TEAM ACCOUNTS.** Any supplemental compensation must be delivered through club payroll efforts in coordination with the Club Treasurer.
- 4. Extra training compensation during seasons.** Coaches are not to offer fee based private training for CSC players during the season even if that training is described as optional.
- 5. Summer training.** Any compensation for “summer” training sessions occurring following the end of the Spring season and before the start of the Fall season is allowed but **CANNOT** be funded through CSC team accounts unless it is a club sanctioned event. Compensation for the coach’s time and training should be paid individually and directly to the coach without exception.

10) Expense Reimbursement. From time to time, the Board of Directors, volunteers, employees or other individuals approved by the Finance Committee and/or Treasurer will incur expenses on behalf of the Club. These expenses should have been approved by the Treasurer in advance, in writing. These items will be reimbursed only with prior approval and a valid itemized receipt or invoice supplied.

11) Credit Cards. Currently, the Club does not authorize credit cards issued in the name of the association.

12) Amendments. These financial policies may be amended at any regular or special meeting of the Board of Directors as long as a quorum is present and the Board follows the voting and approval process outlined in the organization’s bylaws

13) Sponsorships & Fundraising. The club recognizes the need to develop alternative sources of revenue through sponsorship and other fundraising activities. The treasurer may appoint, with board approval, a chair of this subcommittee. All sponsorships, fundraising agreements must be approved by the Finance Committee and the Board of Directors.