

INDIANA SOCCER ASSOCIATION, INC.

**FINANCIAL POLICIES
AND PROCEDURES MANUAL**



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FINANCIAL POLICIES AND PROCEDURES MANUAL

1.0 INTRODUCTION

1.1 Financial policies and procedures shall ensure that management completes their collective financial duties under the least amount of risk. These financial policies and procedures shall be guided by an accounting concept called internal control. Internal control is defined by the American Institute of Certified Public Accountants as a process “effected by an entity’s board of directors, management and other personnel designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- a. Reliability of financial reporting
- b. Effectiveness and efficiency of operations, and
- c. Compliance with applicable laws and regulations.

1.2 The following documents were used to identify the requirements for financial policies and procedures:

- a. Nonprofit Controllers Manual, by Craig R. Stevens and Horton R. Sorkin, published by Warren, Gorham & Lamont.
- b. IRS Publication 557, Tax-Exempt Status for your Organization.
- c. IRS Publication 598, Unrelated Business Income Tax
- d. The Finance Committee “The Fiscal Conscience of the Nonprofit Board” by Norah Holmgren (National Center for Nonprofit Boards)
- e. Financial Responsibilities of the Nonprofit Board by Andrew S. Lang (National Center for Nonprofit Boards)
- f. Checks and Balances, The Board Member’s Guide to Nonprofit Financial Audits by Andrew S. Lang (National Center for Nonprofit Boards)
- g. Presenting nonprofit Financials, An Overview of Board Fiduciary Responsibility by Thomas A. McLaughlin (National Center for Nonprofit Boards)
- h. Florida Youth Soccer Association Financial Policies and Procedures (and 7 other state associations)
- i. US Youth Soccer Financial Policies and Procedures
- j. US Soccer Financial Policies

2.0 DEFINITIONS

The following terms and definitions are presented to prevent revising policies in the several locations where the term is used.

- a. “Association” means Indiana Soccer Association.
- b. A “Non-routine Purchase” is defined as a purchase of a service, fixed asset, or investment.
- c. “Event” means Annual General Membership meeting, Executive Committee meeting, Board of Directors meeting, or Indiana Soccer Association sponsored tournament
- d. “Line Item” means a specific line with corresponding amount in the Association budget.
- e. “Program” means the operations of a specific officer, committee, or office of the Association.
- f. “Affiliate” means a club recognized as an official member of the Association.

- g. “Officer” means any person specified as an officer in the Indiana Soccer Association Bylaws
- h. “Fiscal Year” is recognized as being from August 1st through July 31st of each calendar year.

3.0 INDIANA SOCCER ASSOCIATION MANAGEMENT & CONTROL

- 3.1** All income of the Association shall be deposited into a financial institution insured by the FDIC (Federal Deposit Insurance Corporation).
 - 3.1.1** Types of Accounts. The Association shall have the following accounts, as approved by the Executive Committee:
 - a. General Operating Account shall be a checking account opened by the Executive Director at a financial institution, insured by the FDIC (Federal Deposit Insurance Corporation) and approved by the Treasurer.
 - b. Investment Account may be established by the Executive Director, with approval of the Treasurer, to invest cash not required for operations. Investments shall be limited to savings account, money market account, certificates of deposit, and governmental securities. The priority for investment criteria shall be (1) security, (2) liquidity, and (3) rate of return.
 - c. Other may be established by the treasurer in conjunction with the Executive Director.
 - 3.1.2** All accounts of the Association shall be in the name of Indiana Soccer Association.
 - 3.1.3** The President, Treasurer, and Executive Director shall be a signatory on all Association accounts.
- 3.2** All expenses except specific exceptions allowed by the Treasurer shall be paid by check, e-check, autopayment, digital payment – i.e. bill.com or approved credit card.

4.0 BUDGETING AND REGULAR FINANCIAL REPORTING

4.1 BUDGET

- 4.1.1** Each year, prior to the fiscal year end, the Executive Director shall submit a budget proposal to the Indiana Soccer Association Finance Committee to prepare for the next year’s operating budget. The budget shall be submitted to the Board of Directors for approval prior to the beginning of the next fiscal year
- 4.1.2** All proposed budget amendments are to be submitted to the Treasurer 10 days prior to a scheduled Indiana Soccer Association Board of Directors meeting. The Treasurer shall present the proposed amendment to the Indiana Soccer Association Board of Directors for final action.

4.2 FINANCIAL REPORTING

- 4.2.1** The Executive Director shall ensure that financial statements shall be prepared within fifteen (15) working days after the end of each month comparing actual revenues and expenses with budgeted revenues and expenses. The Executive Director is responsible for distribution of the Financial Reports to the Treasurer. The following reports and statement

shall be provided:

- a. Balance Sheet
- b. Copy of ledger (deposits and withdrawals)
- c. Updated approved budget (Planned versus Actual)
- d. Cash Flow analysis
- e. Overview of the Indiana Soccer Association monthly and YTD financials

- 4.2.2** After review by the Treasurer, reports and statements shall be presented to the Indiana Soccer Association Board of Directors with comments at any subsequent meeting of the Board.

5.0 SAFEGUARDING OF ASSETS AND PHYSICAL CONTROLS

5.1 The Executive Director has responsibility for the physical security of assets.

- 5.1.1** The Executive Director shall ensure that a copy of all financial information is backed up off premises.
- 5.1.2** The Executive director shall ensure all necessary risk management steps are taken to ensure the safety of all financial information related to the Indiana Soccer Association.

5.2 CASH RECEIPTS

- 5.2.1** All revenue will be managed in an efficient manner acceptable to the Indiana Soccer Association's Auditor, Treasurer and Board of Directors. [000]
- 5.2.2** Cash receipts, whenever exceeding \$250, are deposited intact daily. **The exception to this policy is for Performance Bond checks only. These checks may be held in a safe place in the office and cashed or returned as appropriate.** (revised 3/15/2003)
- 5.2.3** Cash withdrawals from the bank are made only with the Treasurer's written approval.

5.3 PROCESSING CASH RECEIVED

- 5.3.1** Checks received should immediately be restrictively endorsed.
- 5.3.2** Cash receipts are posted to the general and accounts receivable ledger within four (4) days of receiving.

5.4 INITIATING PURCHASES AND RECEIPT OF GOODS

- 5.4.1** The Executive Director approves all purchases less than \$10,000.
- 5.4.2** The Treasurer approves all non- routine purchases over \$10,000 Approval may be by e-mail or by signature.

5.5 CASH DISBURSEMENTS

- 5.5.1** The Executive Director shall ensure then secure physical access to unissued checks. Checks shall be prenumbered and issued sequentially.
- 5.5.2** Supporting documentation and receiving reports shall be reviewed before check is signed.
- 5.5.3** Cash disbursements shall be posted to general and accounts payable ledger within four (4) working days.
- 5.5.4** The use of post-dated checks is prohibited.
- 5.5.5** Someone independent of the individual responsible for cash receiving shall review bank reconciliation.

5.6 CREDIT CARDS

- 5.6.1** The Executive Director may approve individual staff to be issued credit cards. The credit card shall be in the name of the Indiana Soccer Association.
- 5.6.2** The credit card shall be used only for expenditures approved for and contained within the annual Indiana Soccer Association budget. There shall be no personal use of the credit card.
- 5.6.3** All billing charges shall be mailed directly to the state office. All charges shall be paid in full monthly in order to eliminate interest charges.
- 5.6.4** Staff utilizing credit card must turn in expenditure receipts in order to allow for reconciliation of credit card statement.

5.7 PAYROLL

- 5.7.1** Payroll and related benefits are to be paid only to those employees with positions and duties approved by the Board of Directors. All payroll and personnel information is confidential.
- 5.7.2** Salary ranges are recommended by the Executive Director, budgeted by the Treasurer and/or Finance Committee and approved by the Board of Directors.
- 5.7.3** All employees must provide their name, address, social security number and or any other documents or information required by local, state or federal law. Employee files shall be maintained with all required federal and state tax forms and benefit plan elections.
- 5.7.4** Each department head shall approve any payment for overtime for same department.
- 5.7.5** The individual assigned to sign the payroll checks shall be different than the individual who prepares the payroll. If a vendor is utilized to provide payroll services, then payroll checks may contain an imprinted signature of a third party, independent of the Association. When direct deposit is utilized, the Executive Director or his assigned shall review direct deposit payroll run.

- 5.7.6** Employee benefit plans shall be reviewed annually to ensure compliance with applicable laws and regulations.

5.8 ASSET MANAGEMENT AND INVENTORY

- 5.8.1** The Executive Director shall ensure that an inventory is taken of all physical assets and property of the Association annually.
- 5.8.2** An asset is determined to be a fixed asset if the life is expected to go beyond 3 years. A record of all fixed assets shall be kept. All fixed assets shall have a specific description of the asset including brand name, model, and serial number of the asset. The record for the asset shall also include the location of the asset, and the approximate value of the asset.
- 5.8.3** In consultation with the Auditor, depreciation schedules with appropriate asset lives and depreciation rates shall be established.
- 5.8.4** The Executive Director must generate a report which includes a description of any physical asset disposed of, the original cost of the asset, sales price and the purchaser of the asset. This report must be forwarded to the Treasurer.

6.0 AUDITS

- 6.1** An annual audit shall be conducted on all accounts of the Association. The Treasurer shall recommend, and the Indiana Soccer Association Board of Directors determines the accounting firm to conduct the audit.
- 6.2** The audit results shall be reported to the Treasurer, and the Indiana Soccer Board of Directors.
- 6.3** The audit results shall be posted on the Indiana Soccer Association website after being considered by Indiana Soccer Board of Directors.
- 6.4** The audit results shall be included in the Indiana Soccer Association annual report to the Indiana Soccer Association membership.

7.0 TRAVEL AND PER DIEM RATES

7.1 LODGING

Reasonable lodging rates are to be used at all times. A valid receipt must accompany all claims.

7.2 MEALS

The standard rate allowed by Indiana Soccer Association for Meals is \$50.00 per day. NOTE: TIPS are not included in the daily meal rate. Tips up to 15 percent are considered acceptable. Any individual exceeding the allowable daily Per Diem rate shall be personally responsible for all expenditures over the allowable daily Per Diem. Alcohol will not be reimbursed under any circumstances. A valid receipt must accompany all claims. (updated August 2025)

7.3 PRIVATELY OWNED VEHICLES

Privately Owned Vehicles (POVs) used for official Indiana Soccer Association business shall not exceed the reimbursed standard mileage rate established by the Internal Revenue Service (IRS). This rate is updated periodically by the IRS and will be automatically adopted by the Indiana Soccer Association without the need for internal policy revision. Reimbursement requests must include appropriate documentation, such as a mileage log or travel itinerary. (updated August 2025)

7.4 INCIDENTALS

7.4.1 A daily allowance for incidental expenses—such as laundry, dry cleaning, and tips—is permitted in accordance with the U.S. General Services Administration (GSA) per diem guidelines. The maximum allowable amount shall not exceed the current incidental expense rate defined by the GSA. Receipts are required for reimbursement of all incidental expenses. (updated August 2025)

7.4.2 Rental vehicles are not considered under Per Diem rates, nor are they considered incidentals.

7.5 EXCEPTIONS TO MAXIMUM PER DIEM RATES

7.5.1 While performing business in the interest of Indiana Soccer Association, from time-to-time individuals are required to host VIP's or other guests and dignitaries, or to travel to, and lodge at a site outside the permitted per diem rates recognized by Indiana Soccer Association. During these host events or travels it may be necessary to pay for lodging and meals in excess of the permitted rates.

7.5.2 The following exception pertains to travel costs in excess of the maximum per diem rates.

- a. Incurred unusually high expenses, i.e., meals, while meeting with or hosting VIP's, or special assigned duties from National or International soccer organizations or officials.
- b. A traveler attends a meeting, conference or training session where lodging and meals were procured at a prearranged place (hotel where meeting, conference or training session was held).
- c. Affordable lodging was not available or not within reasonable commuting distance of the meeting, conference or training session.

7.5.3 All claims for reimbursement for lodging and/or meals exceeding the maximum allowable Per Diem rate must be submitted with a valid receipt.

7.5.4 In each case where expenses have exceeded that allowed, the Executive Director shall approve each occurrence. Unapproved expenditures shall be borne by the maker of the expense.

8.0 EXPENSE VOUCHERS

8.1 VOUCHER SUBMISSION

- 8.1.1** Accumulating expenses is an everyday event in conducting business for Indiana Soccer Association. Indiana Soccer Association is committed to reimbursement of legitimate expenses as quickly as possible. In order to accomplish this, the Expense Reimbursement form must be submitted to the state office NO LATER than 45 days from the time of the expense was incurred. All expenditures submitted for reimbursement older than 90 days from the date of the submitted form shall be automatically rejected. Any claimed expenditure over 90 days must be brought by the claimant before the Executive Director for review and consideration for reimbursement.
- 8.1.2** Prior to submitting the Expense Reimbursement form to the state office for reimbursable requests by members of the Board of Directors, the form must be reviewed and approved by the Treasurer or President. Expense reimbursement for the Executive Director must be approved by the Treasurer or President. Support Committee members must submit the form to their respective committee chairperson for review and approval and then subsequently submitted to and approved by the Executive Director.
- 8.1.3** In each case, the person reviewing and approving the Expense Reimbursement form shall forward the form with all accompanying receipts to the state office.

9.0 RECEIPTS

- 9.1** With respect to meals, lodging, and travel, a receipt for all expenditures must accompany the request for reimbursement. In an exceptional case where a receipt is unavailable a person may submit an expense for no greater than \$10. Each receipt must have a diary notation. The receipt and the diary notation must have all of the following information:
 - a. The amount paid,
 - b. The name/location of the restaurant/entertainment facility
 - c. The person(s) for who expenses were incurred,
 - d. Other person(s) business relationship with Indiana Soccer Association, and
 - e. The business discussion related to the expense.
- 9.2** Unless Indiana Soccer Association business is discussed, before, during, or after the meal, personal expenses shall not be allowed.

10.0 UNAUTHORIZED EXPENDITURES

- 10.1** Unauthorized expenditures are those expenditures which:
 - a. are not contained within the annually approved budget,
 - b. an expense voucher is submitted without an approving signature.
 - c. a submission is made without supporting documentation of personal expenditures.