



Financial Procedures

Ozark Swimming, Inc. is dedicated to ensuring all financial operations are transparent and conducted in a manner that safeguards the organization's assets and provides a strong financial foundation. Financial controls and procedures are essential and serve as a system of checks and balances to protect Ozark Swimming (OSI) and its staff and volunteers from risk. These policies ensure that OSI serves its primary mission in support of the growth and development of the swimming community.

OSI's operates on a fiscal year of September 1-August 31, and all financial records are maintained on an accrual basis.

Deposits and Records:

- The Treasurer shall have the following duties and responsibilities regarding the finances of OSI:
 - a. Prepare for deposit all cash and checks received by stamping each check with the OSI bank stamp or by signature and recording each item on a bank deposit slip or similar listing.
 - b. All deposits shall be made into the OSI general accounts. Deposits should be made in a timely fashion, but no less frequently than once per week.
 - c. Receipted deposit tickets shall be maintained pending receipt of the monthly statements from the bank.
 - d. All incoming monies (checks, cash) shall be promptly recorded into the current bookkeeping software system of OSI with details.
 - e. Any documents accompanying monies for deposits shall be separated and appropriately handled and filed and stored electronically and/or physically.
- The Finance Vice-Chair or Treasurer shall initiate all inner account transfers.
- The Finance Vice-Chair or General Chair shall contact the payee to determine the status of any check issued by OSI that is outstanding for more than 60 days. If a check is outstanding for more than 180 days, it will be assumed lost, and payment will be cancelled. It will be the responsibility of the payee to request issuance of a replacement check.
- OSI will impose a charge of \$25, plus any related bank charges, for any deposited check that is returned for insufficient funds or due to a closed account. Any club or individual who fails to make good on the check and pay the service charge will be referred to the OSI Board of Review for action.
- OSI will not utilize scanned checks.
- Grants & Donations-
 - a. All money grants or in-kind contributions or donations unrestricted shall be recorded as general revenues of the Corporation.
- Cash
 - a. OSI shall not accept cash payments greater than \$20. All cash receipts shall be deposited intact.
- Non-cash gifts shall be recorded and reported in the financial statements.
- Credit Card Payments:

- a. OSI may accept credit card payments for Individual non-athlete memberships, Individual Age Group Zone payments, or as otherwise determined by OSI.
- b. A processing fee may be added to each membership application processed with a credit card.

Expenses and Records:

- Physical control of all checks will be with the OSI Treasurer.
 - All payments will be issued from Ozark Swimming, Inc.
 - OSI policies for payment and/or reimbursement policies, including approval process shall be posted on the OSI website and within the OSI Policies and Procedures Manual.
 - All reimbursements and payments shall be processed in accordance with all OSI policies and Financial Procedures.
 - All invoices and reimbursement requests will be accounted for in the current OSI bookkeeping software system.
 - All payments shall be processed by someone other than the authorizing individual.
 - All disbursement will require authorization, according to the current OSI Policies, according to the current OSI budgetary guidelines.
- a. Vendor Payments:
 - Original itemized invoices MUST be received, along with a completed Direct Vendor Payment Request, signed by the individual and an authorized individual (i.e., Committee/Division Chair (if a Committee/Division budgetary item), or the OSI General Chair, or OSI Finance Vice-Chair (if other than a Committee/Division budgetary item).
 - Whenever it is possible, at least two competing bids (preferably three) must be obtained for vendor purchases. Generally, the lowest bid shall be accepted. If there is a reason that another bid is accepted, there shall be a detailed explanation.
 - OSI's tax-exempt form shall be utilized on all available purchases.
 - b. Reimbursement of Expenses to Individuals: Supporting original receipts or similar documentation must accompany each reimbursement request, along with a completed Travel Expense Reimbursement Form, signed by the individual.
- Approval for payments shall be deemed granted if all requirements are met and within the current approved OSI budget and not yet spent or appropriated. Requests for reimbursements must be made within 30 days of the expense. The OSI Board of Directors must approve any request for payment more than the remaining unspent budgeted amount.
 - Invoices, reimbursement requests, and all supporting receipts and documentation will be appropriately handled and filed and stored electronically and/or physically.
 - Treasurer will prepare checks based on invoices received and reimbursement requests.
 - Generally, payments by OSI shall not be made with cash. If there is a need for cash payments, such as in the case of start-up money for an OSI hosted event, the OSI Finance Committee will determine the need and procedures on a case-by-case basis.

Current Assets:

Cash and Equivalents-

- Bank Accounts-All bank accounts shall be on the books and financial statements.
 - a. All bank account numbers shall be held in the name of Ozark Swimming, Inc. (not an individual).
 - b. Signature Authority:
 - Unless decided otherwise by the OSI Board of Directors: the Treasurer, the Finance Vice-Chair, and the General Chair shall be authorized to sign checks for OSI.
 - Checks for an amount less than \$1,000 may be signed by the Treasurer without prior approval. Checks over \$1,000 may be signed by the Treasurer once approval from either the General Chair or the Admin Vice-Chair is obtained.
 - Debit card holders shall be authorized by the OSI Board of Directors. The bank account linked to debit cards shall be limited in balance to \$5,000 in general unless more funds are needed for a temporary purpose (ex. Zones hotel reservations). Any required debit card purchases over that limit shall be authorized prior to purchase, so that a funds transfer can be initiated.
 - Blank checks shall never be signed.
- Bank Reconciliations-
 - a. Within five (5) days after the end of each month, bank statements shall be reconciled with the balance according to the OSI bookkeeping software system.
 - b. Paid checks shall be verified for date, name, and proper endorsements.
 - c. Large transactions shall be checked for proper approval and documentation.
 - d. Completed reconciliations shall be tied to the corresponding general account.
 - e. A third-party will inspect the end of the year reconciliations and match to financial statements.
- All OSI Financial Policies shall be followed.

Account Receivables:

- All outstanding account receivables shall be recorded on OSI's financial statements.
- Invoices shall be created in OSI's bookkeeping system for any club or organization that owes money to OSI. Paid invoices will be appropriately stored.
- Outstanding receivables shall be reviewed monthly and any outstanding balance over 60 days shall be reported to the General Chair or Finance Vice-Chair to make recommendations on collections.

Investments:

- Types-
 - a. Short-term investment-
 - Must be readily marketable (converted into cash on demand)
 - Intention to convert into cash within one year or operating cycle, whichever is longer.
 - b. Long-term investment-
 - Any investment not meeting the criteria of a short-term investment.
- All investment accounts shall be held in the name of Ozark Swimming, Inc.
- Investments shall be carried at fair market value in the financial statements.
- Financial statements provided to the Board must include investment accounts.

- OSI Investment Policy shall be followed.

Property & Equipment-

- All assets with a useful life greater than one year and a cost greater than \$1,00.00 shall be recorded in the records as fixed assets. Generally, they are to be depreciated using the straight-line method over a useful life of five (5) years for furniture, fixtures, equipment, etc.
- When a normal life of five (5) years appears unreasonable, a more realistic life may be used. An annual inventory will be conducted, and adjustments made to the records as needed.
- Miscellaneous Policies Regarding LSC Purchased Items:
 - The OSI Treasurer is responsible for purchasing, maintaining, and storing the following items, as needed:
 - Laptop Computer
 - Software
 - Subscription fees of the OSI bookkeeping software system
 - OSI website domain
 - Team Unify fees
 - Office supplies needed to maintain the business affairs of OSI, such as paper, printer ink, postage, checking supplies, etc.
 - All required state and local filings
 - Any property or equipment purchased for OSI shall have policies for its rental/use.

Liabilities-

- Credit cards-There shall be no credit cards issued on behalf of OSI that are not authorized by the OSI BOD.
- Line of Credit/Loans-
 - All debt shall be authorized by the OSI Board of Directors.
 - Payments shall be issued in a timely manner.
 - Payments shall be properly allocated between principal and interest in the financial statements.
 - All debt shall be issued in the name of OSI.

Financial Reports:

- a. Membership revenue shall be reconciled to the receipts and financial statements monthly. SWIMS reports vs. membership revenue reported by OSI bookkeeping software shall be utilized to reconcile the membership revenue. Any discrepancies shall be reported by the OSI Treasurer to the Finance-Vice Chair or General Chair. Any unusual variances shall be reported to the OSI Board of Directors.
- b. A Profit & Loss Statement and Balance Sheet of the OSI general accounts shall be prepared and presented to the Board of Directors or the House of Delegates at each regularly scheduled meeting. Following the close of the fiscal year, an annual Profit & Loss statement and Balance Sheet shall be prepared and presented to the OSI BOD and HOD.

- c. Budget vs. variances will be reviewed monthly by the OSI Treasurer and any large variances will be reported to the Finance Committee.
- d. Budget to actual expenditures report will be provided by the Treasurer to the OSI Board of Directors as necessary.
- e. Board-Designated Operating Reserve will be reported as necessary, but no less often than the end of every fiscal year.
- f. An outside auditor or CPA will review the OSI financial statements annually according to the USA Swimming Agreed Upon Procedures. This shall be completed no later five (5) months following the end of the fiscal year.
- g. The Treasurer or an outside auditor or CPA, will prepare and file the annual tax return(s) (Form 990 or Form 990 EZ) for OSI, based on the approved financial statements and will be posted on the website.
- h. The Treasurer will submit a copy of all pertinent financial reports, including the filed tax return, to USA Swimming within five (5) months after the close of the OSI fiscal year, as provided in Article 509 of the USA Swimming Rules and Regulations.
- i. Other financial reports shall be presented, as requested, by the OSI Finance Committee, the OSI General Chair, or the OSI Board of Directors.

Budget:

Budgeting Process:

- The House of Delegates, at its annual Fall meeting, approves the OSI budget. This budget is for the fiscal year beginning September 1 and ending August 31.
- Before the annual HOD September meeting, the General Chair or the Finance Vice-Chair will provide the Division/Committee Chairs a budget worksheet with the prior two years actual expenditures as well as the prior year's budget, to assist in the development of proposed program budgets. Budgets should be as detailed as possible to portray an accurate financial picture of the program. Chairs will be required to follow all the Financial Procedures and OSI Policies
- All Chairs should review their programs and confer with their committees before submitting their budgets for the following fiscal year to the Finance Committee by the stated deadline to be considered. If a new program/area is being proposed, or a significant change in funding for a current program/area is being requested, full documentation, including a statement of why the program should be funded and a breakdown of program cost is required.
- Using the Budget worksheets and revenue projections, the Finance Committee will prepare the proposed annual budget for presentation to the OSI Board of Directors before the OSI House of Delegates Fall meeting.
- The budget will be presented by the OSI Board of Directors at the Fall OSI House of Delegates meeting. Once the budget is approved, it will be entered into the OSI's bookkeeping software system for tracking and reporting.

Budget Variances:

- All expenses outside of the approved budget shall require OSI Finance Committee approval.
- The OSI BOD shall endeavor to live within the budget and be vigilant as to overrunning any specific budget category. The BOD shall look at the whole of each division/committee to determine that the intent of the OSI House of

Delegates is being carried out by the expenditure of funds within the division.

- To determine that funds are being spent in conformity with the budget, a budget to actual expenditures report will be provided by the Treasurer and reviewed as necessary.
- According to the OSI Budget and Reserve Policy, Board-Designated Operating Reserve will be reported as necessary, but no less often than the end of every fiscal year.

Security:

- All bank account records and investment records shall be kept secure.
- All documents are retained according to the OSI Document Destruction Policy.
- Every effort shall be made to store records/documentation both physically and/or electronically. All receipts shall be stored in the OSI's bookkeeping system.
- A backup of stored OSI files shall be updated every six months and kept in a separate location than original files.
- All OSI files shall be backed up at least every month.
- Passwords to records and accounting software shall be kept secure.
- All permanent records for OSI (such as by-laws, Policies and Procedures, board meeting minutes, latest backup of accounting software) shall be backed up.
- All publicly accessible information shall be available on the OSI website.
- All OSI BOD members, HOD members, volunteers, and employees shall be required to sign a code of ethics and conflict of interest policy annually.