



Kodiak Hockey League Financial Policy

Purpose

Kodiak Hockey League strives to ensure continued high standards of corporate fiscal governance and accountability through sound financial decisions.

Scope

This policy applies to the Kodiak Hockey League Board of Directors, Executive Director, Team Managers, and Coach or Volunteer staff.

Authority

The Board of Directors is ultimately responsible for the financial management of all activities.

The President/Treasurer is responsible for the day-to-day financial management of the organization. The Board authorizes the President/Vice President to pay bills, receive funds, and maintain bank accounts in accordance with the organization's bylaws.

The Board authorizes the Treasurer the ability to audit, track, and maintain records related to all monies covered within any account belonging to KHL.

- The President/Vice President is authorized to sign checks for payment of authorized purchases.
- The President/Vice President is authorized to enter into contracts for activities that have been approved by the Board as a part of budgets or plans.
- The President/Vice President is authorized to manage expenses within the parameters of the overall approved annual budget.
- The Board of Directors must approve any purchases not included in the annual budget IAW KHL Bylaws.

Responsibilities

The President or designee shall:

- Pay all obligations and file required reports, taxes, etc. in a timely manner.
- Make no contractual commitment for bank loans, corporate credit cards, or leases or purchases without specific approval of the Board.
- Obtain competitive bids for items or services costing in excess of \$5,000 per unit. Selection will be based on cost, service, and other elements of the contract.

The Board of Directors shall:

- Review financial reports at each board meeting.

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- Provide adequate training to members to enable each member to fulfill his or her financial oversight role.
- Review and vote on all purchase request IAW KHL Bylaws.

Financial Transactions with Insiders

No advances of funds to officers, or directors are authorized. Direct and necessary expenses including travel for meetings and other activities related to carrying out responsibilities shall be authorized and reimbursed.

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 President or designee shall:

- Submit an annual budget proposal including operating and capital budgets to the Board of Directors 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

KHL will accept stock or other negotiable instruments as a vehicle for donors to transfer assets to the organization. Transfer and recording the value of the asset shall be done in a consistent manner and in compliance with accounting standards. The Board shall sell any stock given to the organization immediately upon receipt by the organization. KHL shall accept contributions of goods or services other than cash that are related to the programs and operations of KHL. 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 KHL are adequately protected and maintained, the President or designee 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 equipment or other assets.
- Avoid actions that would expose the organization, its board, or its staff to claims of liability.
- Protect 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.

Petty Cash Funds

The petty cash funds are used to purchase or pay for small incidentals that arise throughout the operation of the league. These funds are authorized to avoid significant delays due to required voting from the Board of directors to authorize these small purchases. Petty cash funds are authorized for a maximum amount of fund expenditures under \$300 and receipts must be submitted to substantiate disbursements.

- Monthly petty cash purchases will not exceed \$300 dollars in a calendar month without authorization of the Board.

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- Petty cash use will be reported to the Board of Directors monthly as a specific line item.
- These funds must be maintained by the President/Vice President, who report all expenditures to the Treasurer to maintain accurate accounting records.
- If petty cash is used for reimbursement of a member, then a receipt must be generated.

Team Accounts

KHL teams can receive payments or cash from parents, guardians, or players. As such, this policy is established to assure:

1. All payments or cash is provided to the team manager only.
2. The team manager will provide and ensure a receipt is given to the member paying as well as a copy is kept for the league.
3. Receipts are in sufficient detail as to facilitate the preparation of monthly financial reports by the treasurer.
4. Team managers will maintain accounting records for the team account and ensure all receipts are provided to the Treasurer.
5. Team managers will assure receipts are adequately safeguarded and all monies are properly deposited within four days of receiving the funds.
6. The team head coach will be assigned a debit card to arrange travel, lodging or perform other authorized spending from the account. All spending amounts will be reported to the team manager for accurate record keeping of the team accounting records.
7. All spending performed from the team account will have detailed receipts to ensure proper tracking and documentation of funds use. These receipts will be provided to the treasurer.
8. At no time will a coach or team manager receive funds, deposit funds, or transfer funds they received from a member through any of their personal accounts or other financial accounts.
9. The Head Coach and Team Manager will sign acknowledgment of receipt and understanding of this policy before being authorized to receive a debit card by the board.
10. KHL will provide the debt card, a bank bag for storage of received funds, and carbon copy receipt books.
11. All team account will start at a \$500 dollar balance and will never be permitted to drop below this balance.
12. In the event a team account has a remaining balance in the account at the end of the year that balance will either be refunded equally to all members that paid into the account or the balance will be moved to the general KHL account for the good of the entire league.

Monthly Reports

KHL should produce monthly financial reports as outlined below for the monthly board meeting:

- The treasurer will report the following information at the monthly board meeting
 - Statement of Financial Position (aka Balance Sheet) (current year vs previous year)
 - Statement of Activities (aka Income Statement) (actual income vs. projected)
 - Statement of Activities (aka expenditure Statement) (budget vs. actual)
 - account balances: 6U/8U, 10U, 12U, 14U, and 16/18U
 - Petty cash expenditures

Travel Reimbursement

It is the policy of KHL to provide reimbursement for pre-approved travel related expenses, including

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transportation, hotels, and food. These expenses must be related to activities of The Organization and must be pre-approved by the Board of Directors.

- All team travel reimbursement will be preset by the Board of Directors in the annual budget and shall be paid out to members in the form of a stipend. Receipts will not be required for this travel by the allowed and preauthorized members.
- All other reimbursement for travel related expenses requires documentation of the expenditure through third party receipts or other verifiable documentation.
 - For out of area travel, The Organization will only reimburse pre-approved travel related costs of hotel accommodations, transportation to and from the destination, including airline, train or bus tickets, taxicab fares, etc. A per diem amount limited to the federally approved per diem limits can be granted.
 - Out of area travel requires completion of a Travel Reimbursement Request form. The form must be fully and accurately completed and submitted to the Board of Directors. (All costs regardless of who paid them are to be included on this form. All receipts must be attached).