

## Vestavia Hills Park and Recreational Financial Control Policy June 2017

The below minimally required financial controls must be approved and followed by each sport board:

- 1) Cash
  - a) Bank Reconciliation
    - Must have appropriate separation of duties for cash reconciliation
    - The person reconciling bank account cannot have check writing privileges
    - This will include any on-line account such as PayPal, etc.
  - b) Expense Approval
    - Proper expense approval processes must be in place and followed
    - Each reimbursement must have a receipt to match the reimbursement amount and have a separate person approve the reimbursement
  - c) Receipt tracking
    - Create a central method of storing receipts (i.e. Dropbox) and insuring receipts expenses are properly record into a bookkeeping software
  - d) Bank account
    - The board must approve annually the individuals that are signors on any board bank account
    - Must have at least 2 individual signors on all accounts
- 2) Records
  - a) Monthly journal entries must be made into accounting software system.
    - Each organization is required to establish an official system of record for all financial data so a 3rd party if required can verify a historical and accurate record.
    - This will aid in record retention and transitioning from one year to the next (I.e. QuickBooks instead of excel)
  - b) Prepare monthly financial statement
    - i) Each organization must prepare and approve a profit and loss statement and balance sheet for the organization.
- 3) Review
  - a) Review financial statements
    - At a minimum the financial statements need to be reviewed monthly for accuracy and to insure cash balances are correct.
    - Once the sport season is completed, a historical 4-year summary financial statements needs to be provided to the park board liaison for review. (Template will be provided)
- 4) Regulatory (If (501c03) If your organization is a 501c-3,
  - a) Who prepares any donation acknowledgements and how is the tax-deductible value of the donation determined?
    - How is tax-deductible value determined and by who?  
\_\_\_\_\_
    - Name of the CPA firm or individual preparing the donation acknowledgements for the current year:
      - Name \_\_\_\_\_
      - Sports Board Title \_\_\_\_\_

- If CPA firm which board member is responsible for working with the CPA firm  
\_\_\_\_\_
  - Tenure of service on board for responsible board member  
\_\_\_\_\_
- b) 990 tax form
- Please name the CPA firm or individual preparing 990 tax form for the current year:
    - Name \_\_\_\_\_
    - Sports Board Title \_\_\_\_\_
    - If CPA firm which board member is responsible for working with the CPA firm  
\_\_\_\_\_
    - Tenure of service on board for responsible board member  
\_\_\_\_\_
  - All sports board must have an EIN number specific to their organization
    - Please provide a copy of your EIN number to the Park Board. Each organization must have its own EIN number on file with the PRB.

The sports board unanimously acknowledges that these are proper financial controls and agrees to implement and follow these minimal controls. By signing below we (all members of the board), the **sports board accepts, the responsibility and liability** that we have adequate and proper financial controls in place.

Youth Sports Board Yearly Attestation OF Appropriate Financial Controls

By affixing our signatures below, we, the members of the named sports board unanimously (insert sports board official name) \_\_\_\_\_, covenant, agree and attest that we have reviewed the Vestavia Hills Park and Recreation Financial Control Policy and that the financial controls outlined in that document have been implemented within this Youth Sports Board for the 2017 Youth Sports Board term. We further agree to adhere strictly to all of these financial controls as they apply to the administration of this league during this entire Youth Sports Board Term.

This the \_\_\_ Day of \_\_\_\_\_, 201\_\_.

\_\_\_\_\_  
President

\_\_\_\_\_  
Treasurer

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Board Member

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