

# **FINANCIAL GUIDELINES**

## **AUSTIN SKIERS, INC.**

### **I. Objective and Summary**

**The following financial guidelines apply to all club members, officers, directors and designated agents. The fiduciary responsibility of the Executive Committee is to manage all funds entrusted to their respective functions, duties and assignments as administratively prescribed. Decisions rendered by the Executive Committee will be solely for the benefit of the general membership.**

### **II. Executive Committee**

#### **A. Budget**

In the beginning of each fiscal year, the Executive Committee prepares an annual budget plan that establishes the limits of the Club's expenses based on anticipated revenue and operating needs.

1. The Treasurer maintains all financial records and retains the appropriate documentation and receipts categorically by budget item.
2. The Treasurer will maintain a chart of accounts
3. The Treasurer will retain a separate file folder for each account for review.
4. In preparing the annual budget plan, the Executive Committee considers the Club's anticipated revenue sources and expenses. Revenue sources include items such as membership dues, fundraisers, sponsor contributions, and net trip revenue.
5. The Executive Committee establishes the administrative operating expense categories.
6. Trips are priced to achieve an aggregate breakeven of income and expenses. Trip expenses include an administrative cost/overhead.
7. The Treasurer will provide income/expense sheet and balance sheet with data from last Fiscal Year to the Executive Committee prior to any budget planning meetings.
8. Trip Credits for Members of the Executive Committee, Trip Chairs, Assistant Trip Chairs, Race Directors are determined each fiscal year by the Executive Committed during the budgeting process.

#### **B. Financial Management**

1. It is the individual responsibility of each officer to keep expenses for his/her area of responsibility within the budget established for the fiscal year.
2. The Executive Committee has overall responsibility to control spending as established by the budget.
3. Spending over budget must be approved by the Executive Committee.

#### **C. Reimbursement for Expenses**

1. Round trip air travel to Texas Ski Council Delegates' Meetings will be reimbursed for coach, economy class, or the lowest fare possible, booked at least 3 weeks in advance. When approved by the EC, expense for hotel lodging at the location of the TSC Delegates meeting will be reimbursed at the TSC group rate. Receipts must be obtained for each ticket and must be attached to an IET Form when it is submitted. Airport parking at the lowest rate possible will also be reimbursed.
2. If a private automobile is used instead of air transportation, reimbursement cannot exceed the cost which would have been incurred for plane transportation booked at least 3 weeks in advance. Travel by personal automobile is reimbursable at the IRS Business mileage rate per mile for actual mileage incurred. Fees and tolls will

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- be reimbursed when supported by receipts. Costs of gasoline, oil, lubrication, repairs, towing charges, accidents, traffic violations, etc., will not be reimbursed.
3. The actual cost for lunch at the Delegates meeting will be reimbursed. A receipt is not required.
  4. For the Texas Ski Council Annual Bid Meeting: ½ of the actual cost of the hotel double occupancy nightly rate will be reimbursed for each person named as an official delegate by the Executive Committee. Receipts showing payment must be submitted with the IET Form.
  5. For the Board Meetings: Actual costs for food & non-alcoholic beverages will be reimbursed up to the maximum amount set per meeting at the annual budget meeting. Receipts showing payment must be submitted with an IET Form.
  6. For Mountain Travel Symposium: The cost of the basic registration will be reimbursed. Expenses for extra days are not reimbursed. If airline transportation is not included in basic registration, the guidelines for travel to delegates' meeting described above, will apply.

### III. President

The President is the chief executive officer of the Club entrusted to direct and administer the business and policies of the Club. As the presiding officer, the President assures that all policies are administered in an equal, fair, proper and business-like manner.

#### A. Club Mail

The President or designee is responsible for securing the Club's mail from the U.S. Post Office. The President examines each item received and makes proper distribution. Questionable mail is reported to the Executive Committee as a business matter.

#### B. Checking Account Signature Authorization

1. Authorized checking account signatures will be the president and treasurer. Additional signatures will be approved by the Executive Committee.
2. The President or Treasurer will submit the authorization form with the changes to the Club's banking institution.

#### C. Canceled Checks

The President or designee examines each online bank statement as a confirmation of proper disbursement.

### IV. Treasurer

The Treasurer is the financial officer entrusted with the receipt, care, and disbursement of all Club funds. The Treasurer is also responsible for the communication and enforcement of Club financial policies. The treasurer is the club's authorized representative to Club's banking institution to make changes to the account as approved by Executive Council and for such duties carries the title, Acting Secretary

#### A. Funds Management

1. All funds tendered as payment to the Club are considered to be the property of the Club and all such funds are promptly deposited into the Club's bank account. The Treasurer is informed of the deposit by e-mail.

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2. The Treasurer maintains a checking account and a saving account for the Club at a banking institution as approved by the Executive Committee.
3. The Treasurer or designees promptly deposits all Club revenue received into the Club's checking account within five business days of receipt.
4. The Treasurer or his/her designated representative will pay all Club expenses with checks drawn from the Club's checking account. Payments to club members may be made via Zelle from the Club's checking account.
5. An Income/Expense Transmittal Form must be submitted for all transactions to explain and document all revenue and expenses for the Club (See Section VII. Income/Expense Transmittal Form (IET Form)). Electronic copies of receipts or other documentation are to be provided with the IET Form.
6. The Treasurer should issue a check or Zelle payment within seven (7) days of receipt of a properly completed IET Form. If the IET Form is not properly completed, the Treasurer should notify the originator of the IET Form.
7. Meeting a payment deadline, such as a check for a deposit, is the responsibility of the originator of the IET Form and needs to be closely coordinated with the Treasurer. Payments should be requested at least 10 days in advance of the due date.
8. Expense payment checks in the amount of \$5,000 or more require the approval of two (2) authorized officers. (See Standing Rules section Checks, Payments over \$5,000 for the officers that may approve.)
9. The Treasurer accounts for all income and expenses using QuickBooks or other accounting software approved by the Executive Committee.
10. Using the Income/Expense Transmittal (IET) Forms, the Treasurer will maintain a complete accounting trail of all transactions to allow proper audit review of all financial transactions.
11. Separate deposits should be used for each income IET Form submitted. The IET Form provides the documentation for the deposit.
12. The Treasurer should manage funds between the checking and savings accounts to minimize checking account service charges and maximize the total earned interest to the Club. The schedule of expected payments from the VP of Trips should be used to accomplish this.
13. A returned check fee of \$25 will be charged for each returned check.

### **B. Financial Reports**

1. The Treasurer prepares and presents financial reports to the Executive Committee monthly and as otherwise directed for review and analysis.
2. Monthly financial reports will include Administrative Budget vs Actual for the current Fiscal Year, Balance Sheet comparing the current month v the prior month, Income & Expense Report for the current month and Fiscal Year, and a Transaction Detail Report by Account for the current month. The Income/Expense Reports will include revenue and expense for each trip and each of the budgeted account items.
3. The Treasurer prepares and presents an Annual Summary Report to the general membership at the annual business meeting in May.
4. Year-end financial reports will include the Income/Expense Report, the Balance Sheet, the current budget and the past Fiscal Year actual report information.
5. The Club should operate on a cash basis during the fiscal year. However, carryover income or expenses (e.g. income from a summer trip, prepaid expenses, etc.) should be broken out on the year-end Income/Expense Report and the Balance Sheet. This is done with a Journal Entry

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### **C. IRS Tax Return**

1. The Treasurer is responsible for preparing and submitting a federal income tax return (IRS Form 990) yearly, for the year of their term.
2. The IRS Forms 990 will be submitted to the Financial Review Committee prior to August 1 for review and approval.
3. The IRS Forms 990 will be submitted to the Executive Committee for approval at the August Executive Committee meeting. A copy is retained with the accounting records and by the Secretary with the Club's official minutes.
4. The Treasurer and/or the President will sign the return.
5. The IRS Forms 990 must be electronically submitted or mailed and postmarked to the IRS office by September 15. A daily penalty is assessed by the IRS for late filing.
6. A copy of each year's IRS Form 990 is retained by the Treasurer for 10 years (see Section IX. 3. "Record Retention").

### **V. Vice President of Trips**

The Vice President of Trips has the oversight responsibility of managing all approved ski trips as directed by the Executive Committee.

#### **A. Funds Management**

1. The VP of Trips assures that all trip policies are administered in an equal, fair, proper and business-like manner.
2. The VP of Trips provides the Treasurer with a schedule of expected payments for all the trips.
3. The VP of Trips reviews the Treasurer's accounting report for each trip to assure proper reporting.
4. The VP of Trips monitors each trip's income and expense estimates and reports major deviations to the Executive Committee at their monthly meetings.

#### **B. Trip Pricing**

1. The VP of Trips is responsible for the proper pricing of each trip. The pricing and sizing of the trips should be reviewed with the President and VP of Trip Planning for initial approval. Pricing for all trips must be submitted to the Executive Committee for final approval.
2. The VP of Trips will establish all special pricing for trips (such as "ground only or events only") with approval from the Executive Committee.
3. Any exceptions to standard pricing for a trip must be approved by the VP of Trips and reported to the Executive Committee.
4. All comps received for a trip are for the benefit of the Club and are not for the personal benefit of any officer, trip chair or member except when authorized by the Executive Committee to use as reimbursement for the Trip Leader.
5. No monetary reimbursement or other credits will be given to the Trip Chairs or their assistants without approval of the Executive Committee.

#### **C. Lift Ticket Pricing**

1. All trips will be priced without the cost of lift tickets unless otherwise approved by the Executive Committee.
2. Lift tickets will be made available to trip participants at the group rate obtained from the destination resort tour operator.

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3. All comps received for lift tickets are for the benefit of the Club and are not for the personal benefit of any officer, trip chair or member except when authorized by the Executive Committee.

### **D. Trip Closeout**

1. A final trip closeout review for each trip will be conducted within thirty (30) days following the return of said trip. A trip closeout form will be completed and approved by the Trip Chair, VP of Trips, and Treasurer. Approvals can be via email. Outstanding issues (such as refunds) will be noted and reported to the Executive Committee.
2. The closeout process is conducted by the VP of Trips with the Trip Chair and, if required, the Treasurer. Other interested Club members may attend at the discretion of the VP of Trips.
3. The purpose of the closeout is to assure that all monies have been properly received from each trip participant, that all refunds have been properly authorized, and that all vendor payments have been properly paid and documented. The purpose is also to assure correct accounting by verifying the Treasurer's financial report with the financial report of the Trip Chair.
4. Outstanding issues and items are to be noted, documented, and reported to the Executive Committee by the VP of Trips and/or Treasurer.
5. The revenue section of the closeout form should match the revenue on the Treasurer's report and the expenses on the closeout form should match the expenses on the Treasurer's report.
6. A summary of the closeout for each trip will be shared with the EC. A PDF copy of the actual closeout form will be kept by the Secretary with the minutes of the meeting. The Treasurer will keep a PDF copy with the appropriate trip records.
7. Trip Credits
  - a) Executive Committee credits may be used on one or more trips not to exceed the amount authorized
  - b) Trip Chair credits will be paid as follows:
    - a. One half is credited immediately to payments due when trip is booked
    - b. One half is refunded by check or Zelle upon acceptance of trip closeout form.
  - c) Assistant Trip Chairs payments are paid by check or Zelle after the end of the trip.
  - d) Race Director payments are paid by check or Zelle after the end of the trip.
  - e) An IET Form must be prepared by the Trip Chair to request the credits or payments. This must be approved by V.P. of Trips.

### **VI. Trip Chairs**

Trip Chairs have responsibility for managing the trip assigned with the following financial duties and responsibilities:

1. Maintain detailed income and expense documents in support of all funds received and all expenses authorized;
2. Assure that all monies have been properly received from each trip participant, that all refunds have been properly authorized by the VP of Trips, and that all vendor payments have been properly paid and documented. Club checks should be used to make payments that are known in advance;

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3. Deposits for trip payments should be done in a timely manner - no less than twice a month unless circumstances approved by VP of Trips
4. Each deposit must be documented with the date of the deposit and a list of each name and amount. The form this takes is up to the VP Trips and TC;
5. Provide the Treasurer with advance notice of any payments over \$1,000. This advance notice should be at least 10 days prior to submission of the IET.
6. Prepare a separate IET Form for each authorized expense with a detailed statement of expense purpose and submit electronic copies of receipts for each authorized expense. For example, when submitting an IET for a lodging payment the detailed description should show the prices and numbers of units along with the previous deposits made. Each receipt submitted should be entered on a separate line of the IET;
7. Arrange for the delivery of time-critical payments. It is the responsibility of the Trip Chair to ensure that payments reach the payee on time. Payments of \$5,000 or more must be approved by two (2) authorized officers. (See Standing Rules section Checks, Payments over \$5,000 for the officers that may approve.) It is the responsibility of the Trip Chair to obtain those approvals;
8. Prepare and maintain a detailed income/expense summary sheet for financial management before the trip and for use at the final trip closeout (a trip closeout form will be supplied to Trip Chairs by the VP Trips);
9. Prepare the trip closeout form and submit to the VP of Trips for review and approval;
10. Participate in trip closeout activities as specified by the VP of Trips.
11. Have paid the full trip of the cost by the trip payment deadline. Payments would include the first half of the Trip Chair compensation and may include a director credit if applicable and requested. The second half of the Trip Chair compensation may not be used to pay for the trip because it is paid by check after the Trip Closeout Form is accepted.
12. Similarly, Assistant Trip Chairs must have paid the full trip cost by the trip payment deadline. It may include a director credit if applicable and requested. The Assistant Trip Chair compensation may not be used to pay for the trip because it is paid by check after the trip returns.

### **VII. Income/Expense Transmittal Form (IET Form)**

All Club financial transactions will be recorded using an Income/Expense Transmittal Form (IET Form or IET) These forms will be filled out with the following information:

#### **A. Income**

1. All monies received in payment of Club dues, Club trips, special activities, advertisements, and donations will be considered as income for the Club and must be recorded using an IET Form or an alternative report which provides all of the same information as an IET. Money received to change or correct an income item previously submitted will be considered an adjustment to income and also must be recorded using an IET Form. The IET Form will be prepared by the individual responsible (such as officer, Trip Chair, etc.) with appropriate written details and instructions to the Treasurer to provide a proper accounting record. The name of the person or company, with check number, and purpose of payment must be included for each amount received. Multiple items on one IET Form should be totaled.

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2. Income for different accounts (e.g. a Trip or Membership) should not be combined on one IET Form. The person making the deposit is responsible for submitting the IET Form.
3. Income transferred from PayPal for different accounts may be on one IET and must be accompanied by a spreadsheet detailing all the transactions in the deposit and summarized on the IET (a frequent example is membership dues, special event payments and trip credit card payments). Each income type is transferred separately.

### **B. Expense**

1. All money paid by the Club will be recorded using an IET Form. Money received to change or correct an expense item previously paid will be considered an adjustment to expense and also must be recorded using an IET Form.
2. All IET Forms submitted for Club expense must have the appropriate receipt attached. The Treasurer will retain the receipts. If a receipt is not available, a complete explanation must be provided with the IET Form. Each receipt should be listed on a separate line of the IET Form.
3. The IET Form must include details of the expense (the payment amount, the person or company to be paid, and the purpose of the expense for each expense item) and any instructions to the Treasurer for payment including mailing address. All completed IET Forms will be retained as part of the Club accounting records.
4. Expenses for different accounts (i.e. a Trip and Membership or 2 different trips) should not be combined on one IET Form.
5. The Treasurer will not pay any bills where the person responsible for that expense has not requested payment.
6. The Treasurer will not pay any bills that do not follow the rules and procedures established by the Club.

### **C. Cash Advances**

1. If a cash advance is required, the IET Form will be submitted for the advance.
2. The cash advance is issued as a check to the requestor.
3. A separate IET Form will be submitted for the actual expense associated with the advance. Alternatively, the Treasurer may write a check for Cash and give the cash to the requestor. Requestor will sign for the cash.
4. Appropriate receipts, cash vouchers and/or documentation must be attached to the IET Form.
5. Bus driver tips, tour guide tips and other cash payments should have a cash voucher that includes the Trip, Date, Amount, and Purpose and initialed by the Trip Chair and Assistant Trip Chair, or if there is no ATC, another member of the group.

### **D. Other Transactions**

1. An IET Form will be submitted for adjustments to income such as a refund. The VP of Trips must approve all trip refunds.
2. An IET Form will be submitted for adjustments to expenses already submitted and/or paid.
3. An IET Form will be submitted to transfer funds from one account or trip to another account or trip. The person responsible for the account losing the funds will initiate the IET. The person responsible for the account receiving the funds

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will approve the IET before the Treasurer executes the transfer.

### **E. Electronic Transmittal**

1. Properly completed IET Forms may be submitted to the Treasurer electronically via e-mail.
2. If attachments such as receipts are required, the submitter will be responsible for scanning or capturing images of receipts and emailing them to the Treasurer. PDFs are preferred. Pictures should be sent in high resolution enough so they will be legible.

### **VIII. Financial Review Committee**

The Financial Review Committee is established in Article VII, Section 3 of the By-Laws and is made up of the President, Treasurer, and VP of Trips and is required to meet two (2) times during the fiscal year (once in the fall and once in the spring) to conduct a review of a representative sample of the following financial records:

1. Bank statements and payments;
2. Club check records and bank statements to confirm statement reconciliation;
3. IET Forms to confirm proper documentation;
4. Confirm entries of the IET Forms into the accounting system;
5. Review any unusual problems encountered by the Treasurer;
6. Verify Income/expense reports are backed by receipts;
7. Verify that the Financial Guidelines are being followed; and

The treasurer shall submit a written report of the meeting to the Executive Committee to be filed with the minutes.

### **IX. Record Retention**

1. Financial records for the Club will be retained and maintained by the Treasurer. Complete financial records will be retained for the current financial year plus the preceding three (3) financial years. IRS Form 990 tax returns will be retained a minimum of seven (7) years.
2. The President and the Secretary will retain the Club corporate charter (provided through the Texas Secretary of State's office), By-laws, and Standing Rules.
3. The Secretary will retain all monthly and annual business meeting minutes for the Club indefinitely.

### **X. Annual Financial Review**

An "Outside Review of Financial Records" will be conducted as per the Standing Rules section Outside Review of Financial Records.



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### **XI. Financial Guidelines**

1. The Financial Guidelines shall be reviewed and revised if necessary, by the Executive Committee each year. The Executive Committee meeting minutes will document if the Financial Guidelines were revised or reviewed but not revised.
2. Each time the Financial Guidelines are revised or reviewed a note will be added to the end of the document
  - a. “Revised [date]. Approved by EC [EC date]” or
  - b. “Reviewed and Not Revised [date]. Approved by EC [EC date]”
3. The footer will have the revision date.

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