

## KABA Individual Sport Club Treasurer Guidelines and Transitional Guidelines

Please note that failure to follow these guidelines may result in penalties, including expulsion from the KABA organization and, in the event of major non-compliance, the KABA organization could lose its non-profit status with the IRS. In addition, there could be punitive excise taxes imposed on improper transactions. So, it is imperative that you follow these procedures. If you have any questions, please feel free to contact the KABA Treasurer.

The fiscal year for KABA runs from July 1 to June 30 of each year. This is the suggested time period that each club transition new officers into place for the upcoming school year. As Treasurer, please remember that your “year” does not end at June 30. You must complete the year-end reporting and be available for any questions that may arise in completing the tax return.

If KABA is audited, we will be calling on each club to provide supporting documentation. Beginning with fiscal year ending June 30, 2009, the supporting documentation will be turned in to the KABA Treasurer at the end of each year.

### **Treasurer Guidelines**

#### 1. **Check signing**–

- a. You must have at least **three** check signers (from **three** different families) so that you can always have two available for signing each and every check.
- b. You are not allowed to sign your own check. If the check is payable to a check signer, the other two check signers must sign the check.
- c. A husband and wife are considered to be one check signer.

2. **Bank Statements** - All bank statements/documents are mailed to the KABA P. O. Box 5614. Let the KABA Treasurer know if you are expecting something. You will receive an email when the bank statements are available for pick-up in the Newport office – KABA box.

3. **Year-end Reporting** - You will need to keep a check register showing all deposits and withdrawals and a description of each. An Excel spreadsheet will be provided to you at the beginning of each year, with the beginning balances. Do not change the format of this check register. This spreadsheet will need to be submitted to the KABA Treasurer at the end of each year (after June 30 numbers are submitted).

4. **Budget** – A budget must be submitted to the KABA Treasurer by September 15 of each year. This budget should be presented to and approved by the general membership of your club. The Coach and the President should sign this form.

5. **Fundraising** – You need to let the Athletic Director and KABA Treasurer know of any fundraising activities your club is participating in so that it is added to the Fundraising Tracker (to ensure no duplication of efforts between clubs). You must complete the Fundraising Form, which is located on the KABA website, **before** starting any fundraisers and **after** completion of each fundraiser.

## KABA Individual Sport Club Treasurer Guidelines and Transitional Guidelines

- a. **Raffle tickets** – The organization (i.e., KABA) is limited to two raffles per year. Before engaging in any raffle ticket fundraisers, you must obtain permission from the KABA Board to proceed.
  - b. **Summer camps** – If you have a summer camp as one of your fundraising activities, you must submit the Fundraising Form to the KABA Treasurer by June 1, in order to proceed. (See **Insurance** for additional responsibilities on summer camps.)
  - c. **Payment to Coaches for camp involvement** – Please consult with the Athletic Director or the KABA Treasurer before making any payment to coaches for camp involvement.
6. **Scholarships** – Any scholarships awarded to student athletes should be presented through the Counseling Center at Newport High School. The club should **never** write a check directly to a student athlete.
7. **Documentation/Support for Checks** –
- a. Any check written to an individual should be supported by proper documentation and authorization. (i.e., receipts are required for all payments!) If a receipt is not available, then no check should be written. It is the Treasurer's responsibility to administer this policy.
  - b. Advances are not allowed. If, in the event of an emergency, you have to give an advance, it is important that you follow up and obtain the receipt for the items purchased by the advance. For example, the Hockey Treasurer gives \$1,000 to the coach to purchase pizza for the hockey teams after practice (keep in mind that this does not qualify as an emergency). The coach **must** submit receipts for the \$1,000 immediately after the event. If the pizza did not cost \$1,000, then the coach will need to reimburse the club within one week of the event for any remaining funds in addition to submitting the receipt.
  - c. Credit cards are not allowed. No credit cards shall be issued in the name of any of the clubs. The clubs' only source of payment is through checks. See 7a.
  - d. ATM cards are not allowed. No ATM cards shall be issued in the name of any of the clubs. Again, the clubs' only source of payment is through checks. See 7a.
8. **Payment to Coaches** – Per WIAA/Bellevue School District policy, any payment to coaches and/or other individuals over \$500 must have BSD approval. Once approval is obtained, prior to writing the check, a Form W-9-Request for Taxpayer Identification Number must be obtained from the recipient and forwarded to the KABA Treasurer. (Form W-9 is available on the KABA website.)
9. **Payments through the Club** – It is the Treasurer's responsibility to monitor the types of payments flowing through the club.
- a. Only payments which have been pre-approved by the Club membership and have proper authorization may be paid. All monies flowing in and out of the club must be for the benefit of the program – not just one part of the program. For example, if funds are raised specifically for the varsity boys' basketball team and put into the program for the benefit of the varsity boys' basketball team, then those funds must

## KABA Individual Sport Club Treasurer Guidelines and Transitional Guidelines

be accounted for separately. No funds should be raised by a program to benefit only a part of the program. For further clarification, contact the KABA Treasurer.

- b. Payments should only be made for goods and services benefiting the program. (I.e., no payment should be made to purchase gifts for anyone – coaches, student athletes, volunteers, etc.) See procedure 10.
  - c. Payments to other individuals such as strength conditioning coaches or “student” coaches (regardless of amount) – You must obtain a Form W-9 from any individuals receiving a payment from the clubs. No check should be written until you receive this completed form from the individual.
10. **Gifts to coaches, student athletes, volunteers, etc.** – Per IRS rules, no gifts should be made to coaches, student athletes, volunteers, etc. directly from the club. Absolutely no form of money should be given to coaches, etc. Members of teams may join together voluntarily to provide a combined gift to their coach(es), etc. so long as no individual team member contributes more than \$25.00 and any gift provided does not exceed \$500.00 total.
11. **Receipts to Donors** – Any cash donation requires a written receipt, if requested, no matter how much is donated. Any donation requires a written receipt. If there is a “gift” in exchange for a donation, then the value of the “gift” must be deducted from the amount acknowledged as the donation. For example, if someone contributes \$100 to the hockey team and they receive a t-shirt (valued at \$15) in return, then the value acknowledged as a donation is \$85 (\$100 less \$15).

### Transitional Guidelines

Items to Transition:

1. **Club checkbook.**
  - a. All bank accounts reside at the Bank of America. **You may not change this.** Any change to the existing account must be pre-approved by the KABA Board of Directors.
  - b. All bank statements. When you transition the checkbook, remember to have at least three check signers. Also, **do NOT change the address on the bank statements.** These are to go to the KABA P. O. Box 5614. Originals will be given to you at the next meeting.
  - c. There will be **no** credit cards or ATM cards for any club and no on-line banking.
2. **Club By-Laws** – these should be somewhat a mirror of the KABA By-laws but can be adapted to your individual situation. The most important item here is the Club Philosophy – Why do you exist?
3. **Election of officer** procedures.

## KABA Individual Sport Club Treasurer Guidelines and Transitional Guidelines

4. Hold an extensive meeting with new officers and the Head Coach of your sport to prepare for the upcoming school year. This is best done after ASB budgets have been set (May or June).
5. All documents pertaining to the year-end tax reports that were submitted to the KABA Treasurer.
6. Select a new President to attend KABA meetings and, if at all possible, have that person attend a meeting during the current year. At that time, they can provide KABA with contact information.
7. Share with new officers the P.O. Box address.
8. Provide new officers copies of the insurance policy and Certificate of Insurance if available.
9. Cover ongoing traditional fundraisers your group has done in the past and make sure that they are listed on the KABA Fundraising Tracker.
10. Discuss whether your group will be doing any scholarships in the upcoming year and notify KABA Executives to this fact. The only group currently doing so is Girls Basketball.

### **Additional Items**

1. It is best to create an officer structure that includes a President Elect. That way you will always have at least one person who went through the current year that can help transition the upcoming year.
2. Do **NOT** throw any documents away unless authorized by the KABA Treasurer. We are required to keep all documentation for seven years. In the event of an audit, you may be called upon to provide the documentation from previous years. Therefore, you will want to figure out a system to keep this information. If you need assistance, please contact the KABA Treasurer or KABA President.
3. Because of the recordkeeping requirements of each club, it is suggested that you use someone with an accounting background to act as your treasurer.