

OZARK LMSC POLICY and PROCEDURES

LMSC Financial Operating Guidelines

Policy

The Ozark LMSC will follow the current financial operating guidelines for Local Masters Swimming Committees of U.S. Masters Swimming, Inc. as detailed in Part VIII of the U.S. Masters Swimming, Inc. Financial Operating Guidelines: <http://www.usms.org/admin/FOG.pdf> and the LMSC Standards: http://www.usms.org/admin/lmschb/gto_lmssc_standards.pdf

Specifically, the following **Procedures** will be followed:

1. The Ozark LMSC adopts the same fiscal year as USMS, which is the calendar year.
2. The duties of LMSC Treasurer and LMSC Registrar shall not be performed by the same person.
3. Any change in the LMSC Treasurer or Registrar or their contact information shall be reported to the USMS National Office to include name, address, phone, and email.
4. Ozark LMSC bank accounts shall be separate and distinct from the accounts of any other entity. Funds will not be comingled with Club funds for any reason, nor will payments be accepted for matters not pertaining to the LMSC or LMSC sanctioned or approved events.
5. The Ozark LMSC Treasurer shall prepare an annual budget in collaboration with the LMSC Chair. The budget should not propose operating in a cash deficit position for any 12-month period unless there are adequate reserves.
6. The proposed budget shall be submitted to the Ozark LMSC Board for approval prior to the beginning of the calendar year and then posted on the LMSC website.
7. The Ozark LMSC Treasurer shall produce annual financial statements, consisting of at least an income statement with itemized revenues and expenditures and a balance sheet, based on sound accounting principles.
8. The annual financial statement shall be submitted to the Ozark LMSC Board for approval and then posted on the LMSC website.
9. The Ozark LMSC Treasurer shall submit the approved annual financial statement to the USMS National Office no later than April 30th of each year.
10. The Ozark LMSC Treasurer shall file an annual federal tax return, using the appropriate 990 form, a copy of which the Treasurer will send to the USMS National Office.
11. If the Ozark LMSC makes payments in excess of \$600 in any fiscal year to any individual for services rendered (not including reimbursement of out-of-pocket expenses) the Ozark LMSC Treasurer shall issue an IRS Form 1099-MISC to that individual.
12. The Ozark LMSC Treasurer shall maintain all financial statements and records, including receipts, bank statements, and supporting documents for revenues and expenses for a minimum of three years after the tax filing deadline for each year.
13. The Ozark LMSC Treasurer shall retain support for all expenditures greater than \$25 in accordance with IRS guidelines and clearly document the business purpose on the receipt or in the LMSC books.
14. LMSC expenditures of \$5,000 or more shall require LMSC Board of Directors' approval unless the expenditure is authorized in the annual operating budget.
15. Checks received from USMS, as well as payments (checks or cash) from other sources, shall be deposited within 30 days of receipt.
16. Registration payments due to USMS shall be processed and mailed by the Ozark LMSC Treasurer (or electronically submitted) to the USMS National office within one week of receipt of prior

month's invoice, unless the amount is immaterial. All payments for registration, regardless of amount, are due within 30 days of receipt of invoice.

17. Other accounts payable shall be processed and mailed by the Ozark LMSC Treasurer within 30 days of receipt of invoice or appropriate documentation. Such payments include budgeted expenses or reimbursement requests received with appropriate documentation.
18. The Ozark LMSC Treasurer shall maintain a check register which includes all deposits as well as checks written. This register shall be used to reconcile bank statements monthly. This reconciliation shall be rechecked by someone other than an authorized check signer at least annually (preferably quarterly). Documentation of such review having been completed shall be recorded in the minutes of an LMSC Board meeting.
19. The Ozark LMSC Treasurer shall reconcile checks received from USMS and LMSC checks paid to USMS against applicable monthly membership accounting reports received from the USMS National Office. This reconciliation should include both paper and online registration accounts.
20. The Ozark LMSC Treasurer shall maintain records concerning the number of membership cards printed by USMS and paid for by the Ozark LMSC (number of cards printed and mailed per month by USMS and payment made or retained by USMS). This may be done in collaboration with the Registrar.
21. The Ozark LMSC Treasurer shall maintain records concerning the number of discount registrations processed per month. These are registrations for which no LMSC or club fee is charged and includes seniors 75 and older, full-time students 25 and younger and hardship waivers. This may be done in collaboration with the Registrar.
22. The Ozark LMSC's financial records shall be reviewed at least annually by someone other than the LMSC's Treasurer. This person shall be appointed by the Ozark LMSC Chair and may be the Chair if not an authorized check signer. Documentation of such review having been completed shall be recorded in the minutes of an LMSC Board meeting. The review shall include:
 1. Verification of bank balances
 2. Sample review of revenues, including sanction fees received
 3. Documentation for expenses
23. The Ozark LMSC Treasurer shall make available to USMS all financial records of the LMSC upon reasonable notice to the LMSC. This is because all LMSCs have 501(c)(3) exempt status as members of USMS's group exemption.
24. If any person other than the Ozark LMSC Treasurer (e.g., Registrar or Sanctions Chair) makes deposits to the Ozark LMSC bank account(s), the Treasurer will require complete and timely documentation of such deposits to include including date of deposit, check number, payee, date of check, amount of each check, and for what purpose each check was written.

Financial guidelines and procedures relevant to events sanctioned by the LMSC

1. According to USMS Rulebook 102.7.2, "Entry fee policies for local Masters events shall be set by the LMSC." The Ozark LMSC encourages event hosts/meet directors to plan an event budget that will include reasonable entry fees that will adequately cover the expenses of holding the event. These expenses may include sanction fees, pool or site rental, lifeguards and other safety personnel, meet officials including timers, hospitality, awards, equipment and supplies purchase or rental, custodial services, registration services, printing and postage and other miscellaneous expenses associated with hosting the event.
2. Entry fees will be stated in the meet/event information and will be reviewed by the LMSC Sanctions Chair as part of the sanctioning process. These fees may vary to encourage online or early registration, as opposed to deck entries. Fees may also vary or be waived under stated circumstances, such as "first time competitor", membership in the host club, membership in the host LMSC, hardship waivers, event volunteer, etc.
3. Fees may be per number of events entered or per day of competition, or some combination of these. In general, the fees should be no more than \$10 per event entered or \$50 per day of competition for pool events. For open water events, the fees may be as much as \$100 per person. These maximum fees may be exceeded at the discretion of the Sanctions Chair if documentation of higher expenses is provided.
4. All requests for USMS Sanctions for pool and open water events or requests for USMS Recognition of pool events permitting non-USMS members to participate must be made online through the USMS Sanctioning process. The Sanction fee of \$50 for pool events or the Recognition fee of \$100 must be sent to the Ozark LMSC Treasurer within 7 days of receiving notice that the sanction or recognition has been granted. The check should be made out to the Ozark LMSC. The Sanction fee for open water events is \$100, plus \$5 per participant with a maximum fee of \$1000. Since the total amount of the sanction fee for open water events is based on the number of participants, the total fee should be sent to the Ozark LMSC Treasurer within 14 days of the completion of the event. Complete results of both pool events and open water events must be submitted to the Ozark LMSC Top Ten Recorder within 14 days of the completion of the event. Pool event results must be in the form of an unlocked Meet Manager backup file.
5. Within 14 days of the event completion, a financial statement (income/expenses) shall be provided by the event director/meet host to the LMSC Chair. This statement should include the number of participants and the entry fee that each paid. The statement may also serve as a review of the competition with suggestions for improvement of future events. A template for this purpose will be provided by the LMSC Chair.
6. If OEVTs (one event registrations for non-USMS members) are used, a spreadsheet of all required information for each OEVT, all signed insurance waivers and a check for the full amount (\$20 per OEVT) made out to the Ozark LMSC should be sent to the Ozark LMSC Registrar within 14 days of the event completion. If the OEVTs were handled online by Club Assistant, the OEVT spreadsheet that the event director can obtain from Club Assistant must be sent to the Ozark LMSC Registrar along with a check for the full amount. Signed insurance waivers for such online OEVTs are not required to be sent to the Ozark LMSC Registrar.