

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 XI of the U.S. Masters Swimming, Inc. Financial Operating Guidelines: <http://www.usms.org/admin/FOG.pdf> and the LMSC Minimum Standards http://www.usms.org/admin/lmschb/lmsc_hb_min_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. Dual signatures are required on all checks of \$5,000 or more.
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 club membership fees collected by USMS or the Ozark LMSC and budgeted expenses or reimbursement requests received with appropriate documentation.
18. Checks paid to clubs for club membership fees should be accompanied with at least documentation of the number of members and the time period covered. Preferably this documentation should be an individual list of members that are included in the payment.
19. 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).
20. The Ozark LMSC Treasurer shall reconcile checks received from USMS and LMSC checks paid to USMS against applicable monthly Club Assistant membership accounting reports (either received from the Ozark LMSC Registrar or downloaded directly from Club Assistant using the LMSC Treasurer's login). This reconciliation should include both paper and online registration accounts.
21. 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.
22. 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.
23. 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. The review shall include:
 1. Verification of bank balances
 2. Sample review of revenues, including sanction fees received
 3. Documentation for expenses
 4. Verification that membership fees collected by the LMSC or USMS for Clubs have been paid in full to the appropriate Club Treasurer in a timely manner.
24. 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.
25. 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.

APPROVED AND ADOPTED BY THE BOARD this 23rd day of October, 2011