



FINANCIAL PROCEDURES MANUAL

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01 General

- Major principles of these policies and procedures are:
 1. Exercise due care over all funds including member dues.
 2. Derive income for development purposes to “put sticks in hands”
 3. Maximize effectiveness of allocated budgets
 4. Make careful investment decisions to seek the most favorable returns while managing risk (when applicable)
- Current revenues come primarily from donations, membership subscriptions, events (participation fees, ticket sales and merchandise sales), and sponsorship. Current expenditures are primarily administration, membership services, sport development, events, governance, international relations, and public relations and marketing.
- Member subscriptions are determined by the membership and many not be increased without a specific resolution to the membership and subsequent acceptance by vote.
- Any Member who has not paid in full all subscriptions and fees within 90 days of notification of the subscriptions and fees shall not be entitled to participate in any of World Lacrosse’s (WL) events or vote at the WL General Assembly or be eligible for any other World Lacrosse benefits including access to grant programs, etc. Lack of payment may also result in loss of membership in WL. World Lacrosse may also hold back the aforementioned benefits if Members are not compliant with anti-doping requirements.
- The Board of Directors formulates financial policies, delegates administration of the financial policies to the CEO and reviews operations and activities.
- The CEO has management responsibility including financial management.
- Current job descriptions will be maintained for all employees, indicating financial duties and responsibilities where necessary.
- As best as possible recognizing that WL is a small organization, financial duties and responsibilities must be separated so that no one employee has sole control over cash receipts; disbursements; payroll; reconciliation of bank accounts; etc.
- WL will maintain at least \$100,000 in crime insurance which protects the organization against crimes by the Board, staff or other volunteers.
- Professional financial service providers will be reviewed by staff at least every three years or as needs dictate.
- These policies and procedures will be reviewed periodically by the Finance, Audit and Risk Committee and/or Board of Directors.
- The format of accounts used for the recording of the financial transactions of WL shall be set up to relate to the objectives and the Strategic Plan.
- No Director or staff member shall comment publicly on the financial position of WL or any other financial aspect of WL without approval of the President, CEO, or Finance and Governance Director.

02 Accounts Receivable

Billable Invoices & Receiving Payments

- Billable invoices will be generated as needed by the staff or accountant for established accounts and emailed (preferably) or mailed directly to customers.
- Terms for accounts receivable are generally net 30 days. Any longer term must be approved by the CEO or COO.
- Outstanding billable invoices will be reviewed monthly by the accountant. Grossly delinquent accounts are to be reported to the COO for follow-up.
- Creation of a new “to be invoiced” account must be approved by the CEO or COO.
- Mail-in payments will be received, opened, and coded by the COO and provided to the accountant for processing.
- Cash payments are **STRONGLY** discouraged. If cash is received, it must be signed off by two staff members, two Board members or 1 Board member and 1 staff member.
- Checks will be designated for deposit at WL’s bank by the accountant and deposited weekly by the accountant. Hard copies of the checks and the daily deposit record will be kept on file for one year, after which they will be shredded and disposed of.
- Any electronic payments (wires, ACHs, PayPal, credit card payments) will be captured by the accountant weekly.
- All receipts will be deposited intact. No disbursements will be made from credit card or check receipts prior to deposit.

Transaction Log

- A weekly transaction log will be maintained by the COO. The Transaction Log includes:
 1. Daily Transaction Report of funds received with the appropriate code
 2. Invoices received during the week with the appropriate code as well as payment instructions.
 3. Every two weeks or so, the accountant will pick up the log, any invoices paid, and any deposits which will all be reviewed and recorded in the accounting software.

03 Accounts Payable

Payable Invoices & Issuing Payments

- Any invoices that are received by staff, Board or Committees shall be sent to the WL COO who will work with the respective staff, Board or Committee member to accurately code the invoice and obtain the proper approvals from either the CEO, COO or Finance and Governance Director. Once the approval has been received, the COO will process the payment. On a bi-weekly basis, the accountant will process and code the payable invoices to the appropriate accounts in the accounting software.
- Payments shall be made using the most cost-efficient means available including bank transfers, wires, ACHs, PayPal, and checks and should always be backed up with appropriate documentation.
- The COO will review and approve all processed payable invoices for mathematical accuracy, validity and conformity to the budget (or other board authorization), consulting with additional WL staff members as needed.
- Authorized signers on WL accounts include the CEO, COO, President and Finance and Governance Director.

Credit Cards

- Whenever possible, a WL credit card should be used to auto-pay monthly recurring payments for services.
- Credit cards may be issued for the CEO, COO, President and others necessary and approved by the CEO.
- Receipts for all credit card transactions need to be reconciled at the end of every billing cycle. The accountant will communicate a list of any charges undocumented at the end of each billing cycle.
- Once all charges are properly coded and have documentation, the COO will approve the reconciliation and the accountant will enter the approved charges into the accounting system.

Purchasing

- All purchases over \$250 must be approved in advance by the CEO or COO.
- Purchases over \$5,000 will be required to undergo a competitive bid procedure with at least two (2) bids for purchases from \$5,000-\$10,000 and three (3) bids for purchases over \$10,000. Purchases of over \$5,000 will not be fragmented or reduced to components of less than \$5,000 to avoid the bid process.
- All bid requests will contain clear specifications and will not contain features which unduly restrict competition.
- Sponsor relationships are to be respected and protected and the CEO or COO must approve any variation to the competitive bid process above where it pertains to

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sponsors.

- All contracts and/or agreements that may result in a financial commitment greater than \$500 by WL must be reviewed and approved by the CEO or COO. Contracts over \$10,000 and up to \$99,999 must be reviewed and approved by both the CEO and COO. All contracts and/or agreements over \$100,000 must be reviewed and approved by the CEO, COO and the President or Finance and Governance Director.

Checks

- The accountant and COO will be the only parties to have access to blank checks.
- Checks up to \$10,000 must be signed or approved by the CEO or COO. Checks over \$10,000 but under \$20,000 must be signed or approved by the CEO and COO. Any checks over \$20,000 must be signed or approved by both the CEO and COO and have President or Finance and Governance Director approval.
- Voided checks will have "VOID" written boldly in ink on the face and voided checks will be kept on file.
- In no event will:
 1. invoices be paid unless approved by an authorized signer
 2. blank checks (checks without a date or payee designated) be signed in advance
 3. checks be made out to "cash", "bearer", "petty cash", etc.
 4. checks be prepared on verbal authorization, unless approved by the CEO or COO.
- In the event that it is necessary to issue a duplicate check for checks in an amount over \$25, a stop payment will be ordered at the bank on the original check.

Bank Reconciliations/Reporting

- Bank statements will be received electronically by the accountant each month and reconciled no later than 15 days after the end of the month.
- The CEO or COO shall verify the reconciliation of the bank accounts on at least a quarterly basis.
- On all checks outstanding over 90 days, the Accountant will notify the COO who will take appropriate action.

04 Personnel

Personnel Files

- The COO will maintain a personnel file for each employee, containing appropriate documents, such as the signed compensation agreement, approval of changes in compensation, an I-9 immigration form if necessary, and withholding forms for taxes, benefits, deferred compensation, and retirement contributions (where applicable). The COO's personnel file will be held in confidence by the CEO.

Payroll

- All individual payroll and benefit information will be stored securely locked and accessible only by the COO.
- The COO will submit the payroll information to WL's third-party payroll service. The payroll service will calculate and process payment of all payroll taxes, including W-2s and 1099 forms.
- Retirement contributions (where applicable) will be managed by WL's third-party retirement solutions partner (both employer and employee contributions).
- The accountant will do an online verification of payroll tax preparation on a quarterly basis.
- Employees will receive payment via direct deposit and will receive detailed pay statements via email from the payroll service.

Travel & Expenses

- Each employee, Board member or Committee/Commission Chair, or other volunteer will complete an expense report for any expenses incurred while traveling on behalf of WL if approved in advance by the CEO, COO, President or Finance and Governance Director. The report should include all expenses coded by the submitting individual and with all corresponding receipts itemized and attached (in compliance with the "Travel and Expense Reimbursement Policy."
- Expenses will be paid for travel to WL meetings for members of the Board and, where relevant, Committee or Commission Chairs. For members of the Board, travel shall be economy class airfare and consistent with the Travel and Expense Reimbursement Policy.
- Expenses for Committee or Commission members will be the responsibility of the relevant Member National Governing Body or the individual unless as otherwise directed by the CEO or President.
- Travel expenses for General Assembly Delegates and Observers will be the responsibility of the relevant Member National Governing Body.
- All travel should be booked with WL's travel agency partner, Short's Travel, unless approved by the CEO, COO, President or Finance and Governance Director.
- From time to time, the Board may determine that it is appropriate for Board members to travel to other events or meetings.
- Reports should be submitted no later than 30 days after the travel/expense occurred and

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should be sent electronically to the COO. Reports submitted after 30 days will only be reimbursed with the approval of the CEO.

- WL will reimburse meal expenses incurred in direct connection with approved WL travel.
- Mileage reimbursement will be paid only with the advance approval of the CEO or COO. The current United States IRS guidelines will be used to calculate mileage reimbursement (currently \$.58/mile).
- Reimbursement will be based upon the Travel and Expense Reimbursement Policy.
- Incomplete expense reports will be returned and will not be deemed submitted until complete.

Consultants

- Consideration will be made of internal capabilities to accomplish services before contracting for them.
- Written contracts clearly defining work to be performed, terms, timelines and conditions will be maintained for all consultant and contract services. Any modifications on any of the above must be approved by the CEO.
- The qualifications of the consultant and reasonableness of fees will be considered in hiring consultants.
- Consultant services will be paid for as work is performed or as delineated in the contract.
- The accountant will prepare 1099 returns for consultants as appropriate at year-end.

05 Property and Equipment

Equipment

- Equipment shall be defined as all items (purchased or donated) with a unit cost of \$5,000 or more and a useful life of more than one year.
- The accountant will maintain an equipment log which shall list a description of the item, date of purchase or acquisition, price or fair value of the item and its location.
- A depreciation schedule shall be prepared at least annually for the audited financial statements.
- The accountant will record all equipment in the accounting system. An entry must be made whenever property is disposed of or acquired.

Leases

- All property and equipment leases up to \$10,000, with clearly delineated terms and conditions, will be reviewed, approved and signed by the CEO or COO. Leases up to \$20,000 must be reviewed and approved by both the CEO and COO. Any leases over \$20,000 require review and approval by the CEO, COO and the President or Finance and Governance Director.
- The COO will keep a copy of each lease on file.
- The accountant will be notified of each lease and lease specifications and will make proper general journal entries for same.

Insurance

- Reasonable, adequate coverage will be maintained to safeguard the assets of the corporation. Such coverage will include property and liability, participant accident, worker's compensation, employee dishonesty and other insurance deemed necessary. Existing policy coverages and terms will be reviewed and approved annually by the CEO and COO.
- All new insurance policies or material changes to existing policies will be recommended by staff to the Finance, Audit and Risk Committee and approved by the Board of Directors.
- Insurance policies will correspond to the calendar year whenever possible.

06 General Business Accounting

Banking

- Any bank account shall be opened only after approval of the Board through a proper motion. Accounts shall be in the name of World Lacrosse.
- Bank statements shall be available on-line to the CEO, COO and Finance and Governance Director.
- The operating signatories on bank accounts for WL shall be the CEO, COO, President and Finance and Governance Director.
- Bank withdrawals up to \$5,000 can be approved by the CEO or COO, bank withdrawals between \$5,001 and \$10,000 require the approval of both the CEO and the COO and bank withdrawals of more than \$10,000 require the CEO, COO and the President or Finance and Governance Director.
- At the end of each month and after reconciliation, the accountant will prepare a balance sheet and statement of activities that will be reviewed by the CEO and COO. Given the full Board has fiduciary responsibility for WL, the COO shall share month financial reports with the Finance, Audit and Risk Committee monthly and full Board and membership quarterly.
- As part of the monthly financial reporting, the COO shall call out any expected variance from the original budget and advise when those variances are material in nature.
- All financial information presented and discussed at the Board meeting is confidential and shall not be shared outside of the Board.

Books of Original Entry

- WL will utilize a system for accounting for all funds that conforms to generally accepted accounting principles.
- The accountant will maintain a current and accurate log of the chart of accounts and accounting classes.
- Adequate documentation will be maintained to support all general entries.
- The statements will be submitted by the COO monthly to the Finance, Audit and Risk Committee for review. The statements will be prepared no later than 15 days following the end of the month.

Budgets

- The CEO and his or her staff will prepare the annual operating budget for submission initially to the President and then to the Finance, Audit, and Risk Committee. Once finalized, the budget shall be submitted to the Board of Directors for approval.
- At the Annual General Meeting, the CEO shall present the Board approved annual budget to the membership for informational purposes only. At the same time, the CEO and Board shall seek membership input and approval on a high-level, rolling, two to four-year budget. Once approved by the membership, the Board shall have the authority to make necessary changes to the respective annual budget if factors at the time dictate it.

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- The Board of Directors must approve proposed mid-year changes in the budget, should they exceed \$50,000 cumulative in any specific operational area of the budget.
- Any committee spending request that exceeds the budget as approved by \$1,000 or 10%, whichever is less, must be submitted to the Board of Directors for approval.

Loans

- World Lacrosse does not make loans to individuals or members.

Form 990

- The CEO and COO will authorize preparation of Form 990. Form 990 will be signed approved by the COO and shared with the Board of Directors.
- The completed Form 990 shall be placed on WL's website.

Audits

- Consistent with section 7.7 in the WL Constitution, the accounts of WL shall be audited annually by an independent auditor and in compliance with any New York state requirements (or wherever WL is incorporated in the future). The auditors will have the full cooperation of WL's staff, contractors, Board and any other parties necessary.
- The audited financials should accurately reflect the annual financial activities of WL as well as the financial position of WL.
- The audit should be done in a timely manner but at minimum, be completed in time to share with members at the Annual General Meeting. In addition, the audited financial statements should be made available on WL's website.
- The CEO shall review the audit contract every 3 years.

07 Finance, Audit and Risk Committee

- WL has a Finance, Audit and Risk Committee and its roles and responsibility are captured in its Terms of Reference (TOR) that may change from time to time.