



DOWNTOWN SOCCER TORONTO FINANCE POLICY 2010

Downtown Soccer Toronto (DST) aims to standardize the League's financial activities to meet its statutory obligations on record keeping and financial reporting. The purpose of the Finance Policy is to provide a framework for sound financial governance.

1. Financial Reporting Obligations

The league's financial reporting obligations will be overseen by Treasurer as per Section 6 of DST's Constitution.

- a. The Treasurer will provide the Executive and the League with bi-monthly financial updates including the League's bank account statements, the League's current financial position and highlighting any irregularities/issues as per the DST Constitution Section 6.2 ;
- b. The Treasurer will provide a complete set of financial statements mid-year for the 6-month period ending May 31st. The report should include an income statement, balance sheet and notes;
- c. At year-end, the Treasurer must, before December 15:
 - i. *Prepare Year-end Financial Statements.* The financial statements should include an income statement and balance sheet, including all the notes to financial statements. They should be prepared in accordance with Canada Revenue Agency (CRA) requirements;
 - ii. *File a Tax Return to the Canada Revenue Agency.* The Tax Return should, if necessary, be completed with the assistance of a Tax Specialist to ensure accuracy.
- d. Harmonized Sales Tax (HST): Beginning November 1st, 2010, the League should register with the CRA and collect HST on its revenues and deduct HST paid on eligible expenses in accordance with regulation.
- e. Record-keeping: The League should retain financial documents for seven (7) years.

2. Financial Transactions

The League is involved in several types of financial transactions. The guidelines governing these transactions are described below.

a. Bank Account Deposits:

- i. All cash and cheques received by the Treasurer should be deposited into the DST bank account within fourteen (14) days of receipt;
- ii. Deposit of cash should be made in the presence of a second Executive Member. The amount should be counted and witnessed by the second Executive Member.

b. Bank Account Withdrawals:

- i. Cheque payments: Any cheque issued requires the signatures of two Signing Officers.
- ii. ATM withdrawals: ATM withdrawal privileges are not authorized. However, the Treasurer should have ATM and online banking access to view and transfer monies between the main account and the savings account;
- iii. Withdrawals at bank counter: Signatures of two Signing Officers are required for any withdrawal at a bank branch;
- iv. Signing Officers: The authorized Executive Members are the Treasurer, the Commissioner, the Operations Officer and the Communications Officer. Authorized Signing Officers are outlined in the DST By-Laws.

c. Bank Reconciliations and Access to Cheques:

- i. Bank statements should be sent by the bank to the League's Secretary. The Secretary should distribute a copy of the statement each month to all Executive Members and provide the original to the Treasurer. The Treasurer should reconcile the bank account with book figures;
- ii. The Treasurer should have custody of the cheques. The Commissioner should be provided with a small number of cheques to cover emergencies in the absence of the Treasurer. Transactions authorized by the Commissioner should be reported to the Treasurer.

d. Expense Reimbursements:

- i. Executive Members seeking reimbursement for expenses incurred must file an Expense Reimbursement Form along with original receipts;
- ii. The Executive must review and approve any single expenditure of \$500 or more (except for expenses related to TIPC where the TIPC Committee is responsible to review and approve their expenses within the budget awarded by the Executive). This is in accordance with DST By-law 2.5.11.
- iii. New and returning members methods of payment:
 - a. Paypal (for returning members only): The League may elect to use electronic payment options for its members. The responsibility of the management of a Paypal account should be given to the Commissioner or a delegate. Once all

transactions in the application are completed, the total amount should be transferred to the DST bank account within two weeks. A detailed transaction listing should be provided to the Treasurer;

- b. Cash or cheques (for new and returning members): For cheque payments, if insufficient funds in the payer's account cause the cheque not to clear, an administrative fee of \$25 will be invoiced to the payer in addition to membership payment. A replacement cheque (or cash payment) must be received by the League within seven (7) business days of notification by the Executive that the cheque had not cleared.

- iv. Payment arrangements: The Executive may opt to waive or reduce membership dues for applicants who otherwise might not be able to participate in the League as per Section 4.4 of DST's By-Laws. The Treasurer should authorize and monitor payment plans offered to members requiring periodic payments. Full membership payment should be received by the end of the season under any payment plan. It is the responsibility of the member to ensure that they adhere to the agreed upon terms and conditions of any payment plan.