

# FINANCIAL POLICY

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## Minnesota Hockey – District 1

### Roles and Responsibilities:

The President and Treasurer have the final authority over financial decisions and authorize spending. Contracts can be signed by the President, Treasurer, and District Director. Any reference to the “Executive Committee” is the President, Treasurer, and Secretary.

### Budget:

An annual budget is developed in April by the President and Treasurer for approval at the May board meeting. This budget model is based off of last year’s numbers.

- The first portion of the budget is referee cost for the indicated number of games per association team
- The second portion is the ice time, referee, EMTs and trophy cost for the year end tournaments / festivals, excluding the Mite jamboree.
- The final part of the budget is an administrative piece including printing and office expenses for the district, annual accounting and tax charges, and the monthly phone charges for the District Director. This portion is evenly split between each participating association. The portion can include one-time purchases and expense like equipment purchases, consulting fees, ...

The preliminary budget is approved and distributed to the associations.

Associations are billed 100% of the non-festival expenses after the last referee bill is received and the remainder after the festival invoices are received. Final billings may be different than the budget based on actual expenses throughout the season.

### Cash Receipts:

Association Billing: Associations are billed for their portion of the District 1 budgeted expenditures. Bills are distributed at a monthly Board meeting. Checks are remitted to the Treasurer for deposit into the District 1 Bank Account. Billing amounts are approved by the board prior to distribution.

### Cash Disbursements:

1. Referee Bills: Referee bills are generated by the D1 Referee Assn and reconciled by the District Director to the published league or Tournament schedule. Discrepancies are resolved by the District Director and Referee Assn. prior to payment. The referee rate contract is approved every 2 years, and is published in the governing rules.
2. Ice Bills: Ice is booked and paid for by the Association members except for year-end festivals. The District pays for all costs associated with the D1 year-end festival.
3. All costs associated with Regionals are booked and approved by the District Director.

4. EMT bills for tournaments/playoffs are reconciled and approved by the acting Tournament Director.
5. Recurring budgeted Admin expenses are paid by the Treasurer.
6. Non-recurring expenses are approved by the Executive Committee and paid by the Treasurer if under \$500.
7. Non-budgeted admin items over \$500 are approved at the monthly board meeting.
8. All expenses paid require a detailed invoice or payment stub, approved by the Treasurer. An itemized store receipt will suffice for retail locations. Bank charges and filing fees do not require a receipt but must be noted during the financial portion of the appropriate Board meeting.

### Bank Account/Investment/Debt:

1. Authorized signers on the District 1 Checking Account are: the Treasurer and President.
2. Bank reconciliations are done monthly by the Treasurer and are available for review by any board member.
3. All District 1 funds are kept in a government-regulated institution.
4. No equipment is capitalized.
5. No debt is carried by the district.

### Financial Reporting:

Monthly financial statements are presented to the District Board (the Executive Committee and Association representatives) and approved. These statements include detail listing of all disbursements. A general ledger is kept with detail of all receipts and disbursements.

### Taxes & Government Filings:

Taxes/filings are prepared by an independent accounting firm. They are reviewed and signed by the Executive Committee when needed.

### Conflict of Interest:

All board members must disclose potential conflicts of interest and recuse themselves from decisions where a conflict exists.