

# Kent Valley Hockey Association

PO Box 65 Kent, WA 98035



## Team Bank Account Procedures

Original Draft - 10 January, 2007

Revised and Approved – 20 August, 2014

**PURPOSE:** The purpose of this procedure is to enable Kent Valley Hockey Association (KVHA) teams to conveniently and responsibly create and maintain team bank accounts for the benefit of their team. All organizations, whether they are commercial or charitable, require procedures for monitoring their financial situation. In their most basic form, these procedures must consist of manual records of the credits and debits in and out of the bank account(s). For a charity, this need is especially important since it is handling money that has been donated by others for the purposes of furthering the aims of that organization.

### PROCEDURE:

#### 1. Creating a Team Account

Team bank accounts must be set up with Bank of America at the Kent office located at 311 4<sup>th</sup> Ave. N. (in Kent), as a sub-account of the primary KVHA bank account. The primary KVHA account has the 501-C3 charitable account designation which makes it easier for team accounts to be opened.

You will need to get a letter from Dawn Rutherford authorizing the account to be opened by the two (2) team designated signers. (A team account must have two members of the team as signers, preferably the Team Manager or Team Treasurer and Head Coach or Assistant Coach.)

Take the letter to the Bank of America Manager to open your team account. If possible, your team bank account should be named following these examples: KVHA Squirt Tornadoes, KVHA PeeWee Tier II, KVHA Bantam Tornadoes, KVHA Midget Tier II, etc.

Account Mailing Address: All KVHA team bank accounts must be opened with the KVHA mailing address of: **PO Box 65 Kent, WA 98035**

Statements must be mailed to the above PO Box so that the KVHA Treasurer is able to monitor the accounts. Statements will be emailed to the team treasurer & manager each month.

#### 2. Team Bank Account Expenses

Team funds are responsible for all bank expenses, overdrafts charges, check orders and other costs related to the administration of the team bank account. Provision for such expenses should be included in each team's budget.

#### 3. Team Budgets

KVHA recommends that each team establish a budget for the season which identifies all anticipated revenues and expenses.

**4. Team Income**

All monetary donations to the team (cash and/or checks) must be processed through the primary KVHA bank account. Donations must be turned in to the KVHA Treasurer for processing. Please allow for a minimum of one week for turnaround processing after which the KVHA Treasurer will write a check to the KVHA team equal to 100% of the donated funds. This is a necessary process to assure proper accounting of charitable donations for tax purposes.

Non-monetary donations must be acknowledged in writing to the KVHA Treasurer, specifying the nature and value of the donation. Again, this is a necessary process to assure proper accounting of charitable donations for tax purposes.

**5. Team Accounting Records and Reporting**

Each KVHA team should maintain a record of all income and expenses. The records should identify; date, source of income, purpose of expense, amount, and check number. Receipts should be maintained to substantiate expenses.

It is recommended that signers on the team account prepare periodic reports on income and expenses associated with the team bank account. These reports should be shared with team members (parents).

**6. End-of-Season Disposition of Funds**

KVHA teams are encouraged to make every effort to spend the funds in their team bank account for the purpose for which they were donated or earned. The team has numerous acceptable options for disbursing surplus funds remaining at the end of the season:

- a. Purchase KVIC ice-time for a team and family recreational skate,
- b. Provide sponsor acknowledgments (team picture, plaque, etc.),
- c. Fund a team party,
- d. Team participation awards,
- e. Reimburse coaches for travel expenses,
- f. Divide the surplus funds equitably among the parents,
- g. Donate the balance to next year's KVHA Scholarship Fund.

Surplus funds should be spent and the team's account should be closed at the end of the season.

KVHA teams are not to carry funds over from one season to the next.

**7. Account Transfer from Season to Season**

In those cases where a Coach or Team Manager wishes to preserve a team bank account for the following season, the bank account can be transferred from one team to the next by creating a new signature card with Bank of America. A new signatory letter from Dawn will be needed (see #1).

Remember, the funds for the season just ended must all be spent (see #6).

**Approved by:**

KVHA Treasurer \_\_\_\_\_  
Dawn Rutherford

Date: \_\_\_\_\_