

Special Olympics
Kentucky



Local Programs

Financial Policies and Procedures

Revised July 2021

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Welcome

Thank you for volunteering as a local program bookkeeper! Special Olympics Kentucky (SOKY) values your commitment and time. As a bookkeeper, you are responsible for the monthly reports, financial oversight, budgeting, and stewardship of funds. Please contact Kathryn Harvey, Finance & Administration Director, at any time with questions, concerns, or suggestions.

The policies and procedures presented in this guide provide consistency amongst local programs by establishing required Generally Accepted Accounting Principles (GAAP) for nonprofits through documentation and audit trails.

All SOKY local program bookkeepers and bank signers must be approved Special Olympics Kentucky Class A Volunteers. Please complete the application before requesting an account be established.

Special Olympics Kentucky is a tax-exempt 501(c)(3) organization in accordance with federal laws. Any and all money raised or spent in the name of Special Olympics Kentucky must comply with the IRS and Commonwealth of Kentucky Guidelines. Special Olympics Kentucky is responsible for reporting all money raised and spent in Kentucky as part of our audited financial statement.

Welcome and thank you again!

Sincerely,

Trish Mazzoni
President & CEO

Establishing a Local Checking Account

1. The local account must be opened with four signatures. Two signatures from the local program and the signatures of the President & CEO and Finance & Administration Director; these signatures are not required for routine disbursements and withdrawals.
2. The two local program signers must be approved Class A volunteers.
3. When establishing a Local Program Checking Account, you will need to go to a local financial institution and will show at least one form (possibly two) of identification and will probably need your social security number. Make sure the account is set up with the Federal ID number for Special Olympics Kentucky and not your personal social security number.
4. The financial institution will request a Federal Tax ID number at the time the local Account is opened. Special Olympics Kentucky's number is **61-0954571**.
5. Co-signers cannot be family members.
6. Local programs that raise money in the name of Special Olympics must have a Special Olympics bank account. Agencies that are funded through another entity such as a school or group home do not need an account.
7. Any disbursements from a local program bank account requires two signatures.
8. Debit cards are not allowed because they bypass the required two signature approval process.
9. The legal title of the account must include the title of "Special Olympics Kentucky, Inc" along with the name which identifies the Local Program i.e., "Jefferson County Special Olympics Kentucky, Inc."
10. Local accounts must be registered with the state office with by submitting a copy of the Program Accounting Information Form.
11. Use the bookkeeper's address on the account.
12. The account will need to have a cycle cutoff date of the last day of the month.
13. If a Treasurer/Bookkeeper resigns, a new volunteer will also need to be approved as a Class A Volunteer. Please complete the enclosed Class A Volunteer or Update Form for a new signer.

Reports

1. Reports are due on the 25th of each month following the previous month, i.e., May report is due by June 25.
2. Reports are based on the bank statement. Checks/deposits should be listed only after they clear the bank.
3. Checks made payable to Special Olympics Kentucky should be coded on the expense reports to “Transfer to State Office.”
4. For the months that your programs do not have any revenue or disbursements, the summary sheet should be labeled “*NO ACTIVITY*” and returned with a copy of that month’s bank statement.
5. Included in your reports should be a completed revenue sheet including copies of checks received for payments or donations and a completed expense sheet including copies of all receipts for checks written that month.
6. Entry fees for competitions should be paid with a local program check.
7. If your program is one month late in reporting, you will receive a reminder letter. Three months late, the account will be closed, and the local program will be notified after the closure. Reports are due even if there is no activity for auditing purposes.
8. When local programs disassemble with funds remaining, the funds will be returned to the State Office where they are deposited and held for the local program until return to activity.
9. Accounts that have been inactive for one year will be closed and the money returned to the State Office earmarked for the Local Program for when it is active again.
10. Reports dealing with the Local Checking Account Funds should be shared with your delegation at least on a quarterly basis to provide transparency to participants.
11. Keep all copies of monthly reports and backup documentation.

Income

1. **Cash** raised from a fundraiser must be deposited into a Local Program Checking Account within two days of the fundraiser.
2. **Checks** from a fundraiser must be deposited within one week of the event.
3. Copies of all checks deposited must be made and submitted with monthly reports.
4. All donation checks name/amounts must be listed on the Income Report.
5. Receipts should be given for cash donations.
6. Receipts/Acknowledgement letters should be given for all donations (see attached sample letter).
7. Please see the Chart of Accounts for income categories.

Fundraisers

1. Checks – list each check separately on deposit slip, copies of checks are made for monthly reports. **Checks** from a fundraiser must be deposited within one week of the event.
2. List total amount of checks and name of fundraiser on monthly income report.

Cash

1. Cash is counted and verified by two approved Class A volunteers at the same time in a secure area to verify totals prior to depositing cash.
2. Cash fundraiser form is completed and signed by the two Class A volunteers and must be attached to monthly bookkeeping report and must match bank statement deposit.
3. Cash from fundraisers should not be used to pay for expenses for the fundraiser; all cash from fundraisers must be deposited.

Share The Proceeds – Raffle

If your program is taking part in the Share the Proceeds Raffle from Special Olympics Kentucky, do not deposit the money into the local program bank account due to charitable gaming policies. Please send a money order or cashier's check for any cash paid for the tickets and turn in with personal checks from the fundraiser. Special Olympics Kentucky must follow all charitable gaming regulations.

Mobile Pay Services Policies

For convenience, a local program may opt to receive payments from participants for competition fees through a mobile pay service such as Venmo. This provides an efficient transaction method. The local program is required to submit a transaction report along with the monthly financial reports if opting to use the service. An example of a transaction report is below:

<input type="checkbox"/>	APR 1	Transfer To Capital One N.a.	Transfer		-\$550.00
<input type="checkbox"/>	APR 1	Thank you for using the Venmo card! T...	Miles and Points		\$15.00
<input type="checkbox"/>	APR 1	Stop & Shop	Groceries		-\$1.33
<input type="checkbox"/>	APR 1	April rent	Mortgage & Rent		\$600.00
<input type="checkbox"/>	MAR 30	Gas points	Transfer		\$12.50
<input type="checkbox"/>	MAR 28	Transfer To Citizens Bank Na	Transfer		-\$90.00
<input type="checkbox"/>	MAR 26	Google #2 fail	Transfer - Resel...		\$90.00
<input type="checkbox"/>	MAR 26	SHAKE SHACK	Restaurants		\$3.24
<input type="checkbox"/>	MAR 25	Coffee w/ Darina	Networking	EDIT DETAILS	-\$8.81
<input type="checkbox"/>	MAR 21	Sushi	Restaurants		-\$86.94
<input type="checkbox"/>	MAR 21	Suuuuuushiii	Restaurants		\$53.63

Additionally, it is recommended that program use the request function to ensure correct delivery of payment.

Permission to use a mobile pay service may be rescinded at any time if bookkeeping reports are not current or if the Finance & Administration Director has concerns about the usage.

Expenses

1. All expenses/invoices are to be paid using a local program check with two signatures.
2. All payments should be made from a detailed invoice.
3. On all receipts, list the check number and the date.
4. Checks for event cash should be made payable to the bank. Deposit unused cash back into the account within one week of the event.
5. Receipts for cash must be copied and included with the monthly report.
6. Copies of invoices must be included with monthly reports.
7. Reimbursements for approved expenses paid personally by an individual must be accompanied by receipts/invoices for all items.
8. When reimbursing an individual for a credit card transaction, please include an itemized detailed receipt from the vendor (i.e., hotel receipt with all charges listed, restaurant bill will all meals listed or itemized bill for sports equipment). At no time should Special Olympics funds pay for alcohol.
9. Room service charges should never be charged to your hotel bill unless an itemized receipt is attached for the charges.
10. Funds raised in the name of Special Olympics can only be used to support training and competition activities for Special Olympics Athletes and Coaches. Funds cannot be used to pay expenses for parents, family members or general supporters. Funds can only be used to support Special Olympics activities.
11. Extra-curricular field trips or activities do not qualify for expenses.

Paying Individuals for Services

When paying individuals for services (*i.e.*, *Lifeguard, bus drivers, DJ*), a W-9 Form needs to be completed by the individual and submitted with the monthly bookkeeping reports. A 1099 will be issued by the State Office for an amount of \$600 or greater that is paid to an individual in a calendar year.

Expenses for National Tournaments/Games or World Games

When athletes and or coaches are **selected** to attend a competition beyond a State Level event, adhere to the following guidelines:

1. Expenses are only covered for officially registered athletes and coaches attending the approved competition. Any additional supporters attending the event are expected to cover their own expenses. Local funds cannot be used to pay for family members, other supporters, spouse of athlete/coach to attend the competition.
2. Once all expenses are covered for the registered athletes(s)/coach(s) and there are funds still available, they are to remain in the local account for future events. Any remaining funds cannot be given to family members, supporters, etc. for their expenses.
3. Expenses for the competition should be within the guidelines of Special Olympics Kentucky. Often some meals will be provided to participants throughout the event. It is expected that athletes and/or coaches will partake in these meals. If a participant were to elect to forgo one of the provided meals and chooses to eat out on their own, they must cover this expense from their personal funds (unless for strict dietary/health reasons). Limited snacks/drinks throughout the event can be provided by the program.
4. Transportation costs to and from the event is the responsibility of the local program and these expenses can be covered by the local program funds. However, these travel expenses should be reasonable and should pertain to only the event in which the athlete is competing.
5. Every expense made to cover athlete and/or coach expenses must have a receipt. All receipts should be itemized (especially for meals). If expenses for meals are deemed to be extravagant, the individual may be asked to reimburse the local program. Please note that any meal expense should never include the purchase of alcoholic beverages.

Memorial Gifts

It is unacceptable to make memorial gifts from a Local Program Account to another charitable organization. A reasonable allowance can be made for condolences (flowers) to Special Olympics family members, volunteers, etc. who have passed away; Special Olympics should not pay for funeral expenses or related items from Local Program funds.

Allowable Expenses	Non- Allowable Expenses
<ul style="list-style-type: none"> • Uniforms • Snacks & meals • Costs associated with actual training or competition (<i>i.e., bowling fees, swimming pool fees, tournament fees, etc.</i>) • Bus/vehicle rental (<i>gas – actual receipt for purchase</i>) • Purchase of sporting equipment (<i>i.e., basketballs, softball, track equipment, etc.</i>) • Costs associated with recruiting new athletes or increasing athlete participation. • Costs associated with promoting Special Olympics in your community. • Administrative costs such as postage/paper • Phone calls can be reimbursed, but not phone service. • Storage for sporting equipment • Coaches' training/Education fees (<i>i.e., coaches clinics, leadership conference, first aid training</i>) • First aid/medical supplies • Small thank you gifts to coaches (<i>i.e. gift card</i>) 	<ul style="list-style-type: none"> • Cash gifts to coaches • Building Purchases • Donations to other charities or individuals (<i>memorials, cash gifts or entry fees into golf tournaments or other sporting events</i>) • Cell phones • Cell phone or land line plans • Loans • Mileage – (<i>check with accountant regarding deduction on taxes</i>) • Office Equipment – computers, copiers, fax machines, etc. • Office Furniture – desk, chairs, etc. • Office Space Rental • Vehicle Purchases • Extra-curricular field trips, such as, a fun zone, sporting activities, parks, etc. • Expenses (<i>food, housing, gas</i>) for parents, family members or general supporters to attend events.

Contracts

All contracts (*for rentals, use of building, facilities, etc.*) must be approved by the State Office before they are signed by the Local Program.

CHART OF ACCOUNTS

INCOME

INDIVIDUAL CONTRIBUTIONS

Donations by individuals

FEEES FOR COMPETITIONS

Fees paid by participants

CORPORATE CONTRIBUTIONS

Donations by businesses

SERVICE/CIVIC CONTRIBUTIONS

Donations by service/civic organizations

INTEREST INCOME

Interest earned on account

FUNDRAISING INCOME

Any money raised from a fundraising event

TOURNAMENTS – LOCAL INCOME

Income collected for tournaments that were hosted by your local program

TRANSFER FROM STATE OFFICE

Funds sent to Local Program from State Office

EXPENSES

POSTAGE

Stamps, mailings

OFFICE SUPPLIES

Paperclips, staples, pens, etc.

COPYING/PRINTING

General copying/printing

TRAVEL/LODGING/MEALS

Expenses associated with competitions/Tournaments attended by the local program

MERCHANDISE/AWARDS/RECOGNITION

Trophies, plaques, shirts, small gifts for coaches etc.

RENTAL AND CONTRACT SERVICE

Rental of venues, services, contractors

SPORTS/EVENT & MATERIALS

Sports equipment or materials for sport events.

BANK CHARGES

Fees from bank

FUNDRAISING EXPENSES

Any expenses related to a Fundraising endeavor.

TRANSFERS TO STATE OFFICE

Funds sent to State Office from Local Program

DESCRIPTION

Forms

Sample Thank You Letter

**Special
Olympics
Kentucky**



(Name, Address)

Dear *(Name)*:

Thank you very much for the *(Donation Amount)* donation to benefit Special Olympics Kentucky and *(local program name)*. On behalf of the children and adults with intellectual disabilities, who participate in our sports programs each year, we sincerely appreciate you thinking of our athletes.

Your support is so very important to Special Olympics athletes and their families. After more than 50 years, Special Olympics Kentucky is still opening doors for athletes of all ages who otherwise might never get the opportunity to train, compete, and experience the joy of sport. Kentucky's athletes continue to surprise the world around them with their abilities, their wisdom and their vision. These athletes are truly the best in sports... competing for the love of competition, the joy of teamwork and the thrill of standing before the world to do their best. Over and over again, Special Olympics athletes inspire each of us.

If you have any questions about these events or would be interested in attending, please call me at *(phone number)*.

Thank you for helping make a difference in the lives of Special Olympics Kentucky athletes.

Sincerely,

(Local Coordinator Name)

**Please retain this letter as your receipt for tax purposes. Special Olympics Kentucky did not provide any goods or services in exchange for this contribution.*

Intent to open a Special Olympics Checking Account

Please complete the information below if your Local Program intends to open a checking account. All volunteers dealing with the checking account must have completed a Volunteer Application and be Approved Volunteers before the account can be established.

Local Delegation Name _____

Head of Delegation _____

List the individuals who will be signers or have responsibility over the checking account:

Bookkeeper/Treasurer for the Local Account

Name _____

Address _____

City _____ State _____ Zip _____

Work Phone () _____ Home Phone () _____

Cell Phone () _____ E-mail Address _____

Please list the name/address of the bank your local program intends to use for the checking account.

Bank Name _____

Address _____

City _____ State _____ Zip _____

Phone () _____ Fax () _____

Please email or mail this form to:

Kathryn Harvey
Special Olympics Kentucky
105 Lakeview Court
Frankfort, KY 40601
kh Harvey@soky.org

If there are no issues, the bookkeeper will be mailed a packet of information/requirements for establishing the checking account.

Bank Account Signature Change

Special Olympics Kentucky
Attn: Kathryn Harvey
105 Lakeview Court
Frankfort, KY 40601-8749
502-695-0496 (fax) or tcapps-mcgill@soky.org

Delegation/Local Program Name _____

BANK/FINANCIAL INSTITUTION RECORDS

Checking Account Name as it appears on your statement:

Account Number _____

Financial Institution _____

Address _____

City _____ State _____ Zip _____

Phone Number (____) _____ Fax Number (____) _____

NEW Authorized Signatures (must be Class A approved Volunteers)

NEW or EXISTING BOOKKEEPER/TREASURER FOR LOCAL ACCOUNT

Name _____

Address _____

City _____ State _____ Zip _____

Work Phone (____) _____ Home Phone (____) _____

Cell Phone (____) _____

E-mail Address _____

Cash Verification Form

Date _____

Fundraising Event _____

Other Cash Received _____

Total Cash to be deposited \$ _____

Must be counted and verified by two approved
Class A Volunteers.

(Printed Name)

(Signature)

(Printed Name)

(Signature)

**Attach this form to a copy of the bank deposit slip and return
with monthly bookkeeping report.**

*Cash must be deposited within two days of fundraiser or other
cash received.*