



# EASTERN ONTARIO SOCCER FINANCE POLICIES

## 1. SCOPE

This policy applies to all staff and Board members involved in financial activities with Eastern Ontario Soccer.

## 2. DEFINITIONS AND ABBREVIATIONS

- **AMM** for Annual Members Meeting
- **ED** for Executive Director
- **EFT** for Electronic Funds Transfer
- **EOS** for Eastern Ontario Soccer
- **EOSL** for Eastern Ontario Soccer League
- **EPR** for Emergency Preparedness Reserve
- **GIC** for Guaranteed Investment Certificate
- **KPI** for Key Performance Indicator
- **OASC** for Ottawa Adult Soccer Club
- **OCSL** for Ottawa-Carleton Soccer League
- **TAG** for Technical Advisory Group
- **VPN** for Virtual Private Network

## 3. PURPOSE

The EOS Board is committed to ensuring the Organization's ongoing and long-term financial health and stability by establishing a stable financial model and ensuring that it can successfully deliver on its mission, vision and values. This policy defines the financial management controls that guide EOS in this regard.

## 4. ACCOUNTING PROCEDURES AND INTERNAL CONTROLS

This section discusses fundamental accounting procedures and outlines the Organization's internal controls. All financial transactions will be governed by the Canadian Accounting Standards for Not-for-Profit Organizations (ASNPO).

### **Basis of Accounting**

The Organization follows the deferral method of accounting for fees and fines revenue. The revenue is recorded in the fiscal year corresponding to the intended soccer season. All other revenue and expense transactions are recognized using the accrual method of accounting, where they are recognized in the period in which they occur.

### **Fiscal Year**

According to the EOS Bylaws, the Organization's fiscal year runs from October 1 to September 30.



### **Chart of Accounts**

The ED is responsible for maintaining a Chart of Accounts, a detailed listing of all accounts with descriptions that correlate easily with the budget categories.

### **Segregation of Duties**

Financial transactions are reviewed by more than one individual whenever possible, ensuring that no person has sole control over cash receipts, disbursements, bank reconciliations, or any other critical accounting function. For specific role assignments, refer to the system descriptions under each process. A Delegation of Authorities table is attached to this policy as Appendix A.

### **Wrongdoing**

If the ED or Treasurer becomes aware of financial wrongdoing by a staff member, contractor or board member, they will immediately inform the Board of Directors by requesting a meeting in camera.

### **Ethics and Conflicts of Interest**

Board Members and Employees will prioritize the Organization's interests above their own. The Board and Staff will refrain from engaging in personal transactions that could compromise their ability to make impartial decisions. They will fully disclose to the Board of Directors any conflicts that may occasionally arise within the Organization.

### **Retention and Management of Financial Records**

The ED is responsible for the accurate and secure storage of all financial records for the period specified by the CRA or for the term specified following the termination of an agreement.

### **Bank Reconciliation**

The ED or their staff delegate will reconcile all EOS bank and credit card accounts monthly. The Treasurer will receive a copy of the reconciliation and associated bank statements for their review and signature.

### **Insurance**

In addition to being covered by Ontario Soccer's Director and Officer Liability insurance, the Organization will maintain continuous coverage for supplementary Director and Officer insurance as well as General Liability insurance.

### **Online Threat Protection**

The ED will ensure that all staff computers are safeguarded with the following security measures:

- VPN to protect all internet connections
- Password protection
- Antivirus software
- Digital Identity Protection

## 5. FINANCIAL PLANNING AND REPORTING

### Budget, Fees and Fines

The Organization establishes annual fees and fines related to membership, registration, discipline, and other services. Member fees are essential to the budget and receive approval from the Board each year. Fines are not incorporated into the budget but are determined concurrently with the fees.

The ED is responsible for drafting the budget, fees, and fines in preparation for the Treasurer's review, which precedes the annual June Board Meeting. The ED may consult with the Board of Directors and Members during the drafting process.

The Treasurer is responsible for reviewing the budget, fees, and fines with the ED to ensure they fully understand the proposed activities and the associated estimates for the year. Together, the Treasurer and the ED will present the budget, fees, and fines to the Board, and the Treasurer will recommend their adoption. The Treasurer may establish a working group, comprising Board Members or EOS Members, to assist with budget preparation, ensuring that the budget is ready for presentation to the Board before the start of the new fiscal year.

When reviewing the budget, fees, and fines, the Board will assess their relevance to the Organization's mission, vision, purpose, values, and strategic plan.

### Internal Financial Reports

#### Board Reports

The ED, with or through staff, will prepare a financial update within ten days after the end of each month for the Treasurer and Board that includes the following:

- Variance report comparing the year-to-date against the budget, showing the difference in percentage, with an explanation of any significant or noteworthy items
- Balance sheet
- Accounts Payable aging
- Accounts Receivable aging

Upon completion, the report will be sent to the Treasurer and included in the Board's monthly meeting agenda package.

Annually, following the approval of the audited financial statements, the ED and Treasurer will report KPIs to the Board. The Board will determine which KPIs it considers important, and the ED will track and report a year-over-year comparison of these KPIs.

#### Member Reports

The ED or Treasurer will present the budget, fees, and fines to the Members once the Board has approved them. Although Members do not approve the budget, they will have the opportunity to ask clarifying questions about it, either by email or during a member meeting called for that purpose.



## Audits

The Organization's financial statements are audited annually by external auditors and approved by members at the Annual Members' Meeting (AMM). The ED is responsible for preparing for the audit and facilitating the auditors' work.

The Treasurer reviews the draft audited financial statements before presenting them to the Board for their review and approval prior to the Annual Meeting of Members (AMM).

The audited financial statements are included in the Annual Report, which is distributed to members prior to the Annual Members' Meeting (AMM).

## **Tax Filing**

The ED will ensure the auditors complete and submit the Organization's annual tax reports.

## **6. BANKING**

### **6.1 Bank Accounts and Signatories**

EOS maintains funds in a chequing account to manage daily transactions. This account is held at a bank approved by the Board of Directors.

Authorized signatories shall include the ED, Treasurer, and one additional Board member as appointed annually. All disbursements and transfers require the signatures or approvals of two authorized signatories. Signatory authority will be reviewed and updated annually or upon any relevant personnel changes.

### **6.2 Deposits**

All payments (cheques, cash) must be deposited within fifteen days of receipt. Deposits will be prepared and recorded by staff, then reviewed by the ED before being submitted to the bank. A copy of each deposit slip and deposit summary will be sent to the Treasurer along with the monthly bank reconciliation. Electronic payments will be logged in the financial system upon receipt.

### **6.3 Organization Fund Transfers**

All transfers of funds between EOS accounts require written or digital approval from two authorized signatories. Each transfer must be supported by a transfer request form or equivalent documentation and included in the monthly reconciliation provided to the Treasurer.



## 6.4 Short-Term Investments

EOS may invest excess operating funds, after the reserve funds have been designated, in low-risk, liquid instruments such as GICs or high-interest savings accounts, provided such investments do not compromise operational liquidity (defined as at least six months of operating expenses readily available). Investment decisions shall be approved in writing by the Treasurer and reported to the Board within 30 days of execution.

Short-term investments will be limited to low-risk instruments, such as GICs or high-interest savings accounts. Investment decisions must be approved by the Treasurer and reported to the Board. The Organization will not invest in equities, mutual funds, or other volatile assets.

## 6.5 Reserve and Reserve Funds

EOS shall maintain an internally restricted Emergency Preparedness Reserve (EPR) equivalent to one year of average operating expenses, calculated annually following the approval of the audited financial statements. The EPR may be accessed only through a formal motion passed by the Board of Directors upon submission of a written request by the ED. The EPR may be utilized in situations such as catastrophic revenue losses, natural disasters, or unforeseen major operational disruptions. If accessed, the Board shall approve a documented replenishment plan within six months, using annual surpluses and/or unrestricted net assets as funding sources.

## 6.6 Unrestricted Net Assets Member Credit

Per the Organization's Bylaws, when unrestricted net assets exceed \$150,000.00, a credit will be issued to members pro rata. To clarify the Bylaw's wording, the term 'unrestricted net assets' will be understood as the Unrestricted Operating Fund, as per the audited financial statements. The pro rating will include only those revenue streams used by all members. For further clarity, revenue from league and referee assignments is excluded. The credit amount will be calculated annually after the EPR and Short-term investments.

The credit amount will be calculated and applied to each member's next seasonal invoice. Credits will be issued as account credits, not cash reimbursements, unless otherwise approved by the Board.

# 7. Investments

## 7.1 Purpose

This policy establishes the framework for investing the surplus and reserve funds of EOS. The goal is to preserve capital, maintain liquidity for operations, and earn a reasonable return within a low-risk framework, in alignment with the Organization's mission and not-for-profit status.



## 7.2 Scope

This policy applies to all funds not required for immediate operating expenses, including but not limited to:

- Emergency Preparedness Reserve (EPR)
- Other internally designated reserve funds
- Surplus unrestricted net assets

## 7.3 Investment Objectives

The Organization's investment objectives, in priority order, are:

1. **Safety of Principal** – Protect the capital of the Organization's funds.
2. **Liquidity** – Ensure funds are readily available to meet operating and emergency needs.
3. **Return on Investment** – Earn a reasonable return within a low-risk investment strategy.

## 7.4 Authorized Investments

The following investment vehicles are permitted:

- Government-issued or government-guaranteed securities (e.g., Canada Savings Bonds, Provincial Bonds)
- Guaranteed Investment Certificates (GICs)
- High-interest savings accounts (HISAs)
- Term deposits at Schedule I or Schedule II Canadian banks or credit unions

**Prohibited Investments** include:

- Equities (stocks)
- Corporate bonds (unless government-backed)
- Mutual funds, ETFs, or derivatives
- Cryptocurrency or speculative investments

## 7.5 Investment Guidelines

- Investments shall be made in Canadian dollars.
- No single investment shall exceed **50%** of the Organization's total investable funds, unless approved by the Board.
- Maturities shall be laddered where possible to ensure ongoing liquidity.
- Investments must not exceed the CDIC insurance limit per institution unless otherwise guaranteed by the government.



## 7.6 Roles and Responsibilities

- **ED:** Recommends investment actions and ensures compliance with this policy.
- **Treasurer:** Reviews and approves investment recommendations, ensures proper documentation, and reports to the Board.
- **Board of Directors:** Approves investment policy and any exceptions to it.

## 7.7 Reporting and Monitoring

- Investment holdings will be reported **quarterly** to the Board as part of the financial statements.
- Any material changes or issues must be brought to the Board's attention immediately.
- The policy will be reviewed **annually**, or more often as needed, to ensure its relevance and effectiveness.

## 7.8 Policy Exceptions

Any deviation from this policy must be approved by a motion of the Board of Directors and documented in the meeting minutes.

# 8. PURCHASES AND PAYMENTS

## 8.1. Signing Authority

- Confers responsibility to approve financial transactions
- Facilitates efficient decision-making and ensures that appropriate approval levels take actions and decisions
- Ensures that transactions are executed as intended and in accordance with applicable law, regulations and policy
- Maintains fiscal integrity and creates a sound internal control environment

Signing Officers (a maximum of four) are appointed annually following the AMM. They include the ED, Treasurer, and up to two of the Chair, Vice-Chair, or Secretary. No person may approve or sign a transaction payable to themselves or their affiliated entity. Temporary delegation must be authorized in writing by the Board Chair.

## 8.2. Contracts

The Organization enters into contracts or agreements for a variety of services, including, but not limited to:

- League Software
- League Administration Services
- Referee Assignment Software
- Manager, Referee Development
- Technical Lead or TAG Chair
- Audit Services



When a service valued at over \$10,000.00 is provided annually, an RFP will be issued at least every three years to ensure that the Organization receives the best value for money and stays current with industry standards. The ED will prepare, issue and evaluate RFP submissions, then review them with the Treasurer. The Treasurer and ED will present their recommendations to the Board for consideration.

All contracts must be reviewed by the ED and signed by the ED and one authorized Signing Officer. Contracts over \$10,000 require Board approval. Exceptions to RFP requirements may be made with Board approval, where a sole-source provider is required for continuity or specialized services.

### **8.3 Ontario Soccer Fees**

Ontario Soccer sets player registration fees, team and player permits, and discipline fees. The ED will ensure that the correct Ontario Soccer fees are incorporated into EOS's financial activities.

### **8.4 Referee Payments**

EOS administers Match Official assignments and payments for clubs participating in EOSL, OCSL, OWPL, OASC, and Ontario Cup games. EOS must choose a referee assignment software provider annually and an individual or company to assign referees. These contracts will adhere to the Contract policy below.

The EOS ED and Referee Development Manager will ensure that the mandatory Ontario Soccer referee rates are applied correctly to any competitions within EOS. The Referee Development Manager will recommend any fees not set by Ontario Soccer, and the EOS Board of Directors will approve them. All referee fees will be posted on the EOS website and shared with EOS Members.

### **8.5 Administrative Expenses**

Included in Administrative Expenses:

- Staff and Board Development
- Meetings
- Insurance
- Storage
- Telephone
- Software
- IT Support
- General Office Expenses

The ED determines which software purchases will contribute to EOS's efficient operations. However, the Board of Directors must approve any software purchase exceeding the annual budget



## 8.6 Disbursement of Funds

All payments are made through EFT, e-transfer, or Credit Card.

According to the Organization's Bylaws, the Board of Directors must obtain approval from the Membership for any expenses exceeding \$10,000 that are not included in the annual budget for one-time acquisition of goods or services.

### 8.6.1 EFT Payments

Two signing officers will approve EFT payments after receiving a request from the ED, accompanied by a copy of receipts or other proof of the expense's validity.

### 8.6.2 E-Transfers

E-transfers may only be used in exceptional or time-sensitive cases. Before disbursement, the ED must receive written approval from two Signing Officers (e.g., by email or secure message) along with supporting documentation. All e-transfers will be reported monthly to the Treasurer, with documentation retained for audit.

### 8.6.3 Credit Cards

Corporate credit cards will only be issued to EOS Staff, and the Signing Officers must approve issuance in all cases. The combined credit card limit will not exceed \$10,000.

Credit card transactions are subject to all expenditure policies.

All cardholders must submit itemized receipts and a credit card reconciliation form by the 5th business day of the following month. Any single purchase over \$500 must be pre-approved by a Signing Officer. Credit cards must not be used for personal purchases under any circumstances, including those made with the intention of reimbursement. If an error occurs and the corporate credit card is used for personal expenses, the cardholder must inform the ED and Treasurer immediately.

The Credit Card statements will be reconciled and reported to the Treasurer on a monthly basis.

### 8.6.4 Other Payment Methods

The issuance of debit cards will not be authorized for any purpose.

Due to EOS's remote operation, cheques are not used.

The Organization does not maintain a petty cash fund.



## **8.7 Expense Reimbursements (note: see HR Manual for associated policy)**

Members of the Board or staff may be reimbursed for reasonable expenses. The Human Resources Manual outlines the policy regarding employee reimbursements. Board members will be reimbursed for any travel expenses incurred while serving as the Organization's designated representative at Ontario Soccer meetings. Board members are not entitled to claim monthly expenses, including mobile phones or internet. When driving to a meeting, a determination will be made regarding whether renting a vehicle or using the individual's personal vehicle is more advantageous. Once this determination is made, any amount exceeding the agreed-upon limit will not be eligible for reimbursement.

Mileage will be paid to staff members and Board Members for travel to meetings or other events as a designated representative of EOS. The mileage rate will equal the CRA's posted mileage rate for that year.

Before expenses are reimbursed, reasonable documentation showing the expense's date, amount and purpose must be provided. The request for reimbursement must be submitted electronically to the ED.

## **8.8 Borrowing and Lines of Credit**

Any borrowing or lines of credit created on behalf of the Organization must be approved by the membership at a members' meeting.

## **8.9 ASSET INVENTORY**

Property and equipment include furniture, fixtures and computer equipment. The Organization does not purchase property or vehicles.

EOS capitalizes all items that cost more than \$1000. The depreciation period for capitalized furniture, fixtures, and computer equipment is two years, with the year of purchase excluded from this period. The ED is responsible for maintaining the amortization schedule and preparing it for review during the annual audit.

# **9. Payroll**

## **9.1 Timesheets**

All employees must complete timesheets documenting the time worked, vacation, and leave. Timesheets must be submitted to their direct supervisor by the last working day of each pay period. Supervisors (or the ED) will review and approve the timesheets, then submit them to the ED by the following business day.

The ED will maintain records of all paid time off balances, ensure payroll is accurate and timely, and file records in accordance with CRA and ESA requirements.

## 9.2 Government Remittances

The ED is responsible for processing payroll deductions and remitting all required taxes to the CRA in accordance with legislated deadlines. Copies of each remittance will be forwarded to the Treasurer within five business days of submission. The Treasurer will verify remittances quarterly as part of the financial oversight process.

## 9.3 Online Banking Access

The ED is responsible for maintaining secure access to the Organization's online banking systems. Only individuals approved by the Board (e.g., ED, Treasurer, designated financial staff) may have access. All users must protect their passwords and security tokens. Online banking access will be reviewed and updated at least annually or upon changes to staff or the Board.

Payment information (banking details) for vendors, referees, and employees will be securely stored in the online banking system only and will not be saved elsewhere unless encrypted and access-controlled.

# 10. REVENUES

This policy establishes a framework for the consistent, fair, and transparent collection of all revenue generated by EOS. It ensures alignment with EOS's mission, as well as fiscal responsibility and accountability to its members and external stakeholders.

This policy applies to all revenue-generating activities of EOS, including but not limited to:

- Player registration and affiliation fees
- League participation and referee assignment fees
- Technical and development programs
- Fines and penalties
- Sponsorships and grants
- Donations or fundraising events
- Interest income or investment revenue

### 11.1 Membership and Registration Fees

- EOS collects annual registration and affiliation fees based on the fee schedule established by Ontario Soccer.
- All fees must be paid according to the published deadlines. Late registrations may incur a surcharge.
- The ED is responsible for implementing the fee schedule and communicating deadlines.

### 11.2 Program Fees

- Fees for programs (e.g., coach education, clinics, referee development, tournaments) must be approved by the ED and fall within the budget approved by the Board.
- All programs must be self-sustaining or revenue-neutral unless otherwise approved by the Board.

### **11.3 League and Referee Assignment Fees**

- Fees for league entry, team participation, and referee assignment are established annually by EOS and approved by the Board.
- Clubs are invoiced before the start of each season. Referee assignment fees are based on projected demand and adjusted post-season if needed.

### **11.4 Grants and Sponsorships**

- The ED or designate may apply for grants and seek sponsorships aligned with EOS's mission and ethical guidelines.
- All agreements must be documented and signed by a Signing Officer and reviewed by the Board if over \$10,000.

### **11.5 Donations and Fundraising**

- EOS may accept monetary donations from individuals or corporations. EOS will issue donation receipts if it obtains or holds charitable status.
- Fundraising activities must be pre-approved by the ED and comply with all legal and ethical standards.

### **11.6 Interest and Investment Income**

- EOS may generate revenue from low-risk investments (e.g., GICs, interest-bearing accounts) as outlined in the Investment Policy.
- Investment returns will be reported to the Board quarterly and included in annual financial reporting.

### **11.7 Revenue Collection**

- All fees and revenues must be invoiced and recorded in EOS's accounting system.
- Payments may be made via EFT, e-transfer, or credit card. Cash is not accepted unless specifically authorized.
- All incoming payments must be deposited within five (5) business days.
- The ED is responsible for overseeing accounts receivable and revenue tracking.

### **11.8 Discounts, Waivers, and Refunds**

- Any discount or fee waiver must be approved in writing by the ED.
- Refunds will be granted only under clearly defined circumstances (e.g., injury, program cancellation) and must be requested in writing within 30 days of the event.
- A refund processing fee may apply.

### 11.9 Monitoring and Reporting

- The ED will provide the Board with quarterly revenue reports, comparing actual revenue against the budget.
- The Treasurer will monitor revenue trends and flag concerns related to sustainability or over-reliance on any single revenue stream.

## 11. ACCOUNTS RECEIVABLE

The purpose of the Accounts Receivable policy section is to support the financial stability of EOS by:

- Minimize losses due to unpaid invoices
- Ensure that customers fairly compensate EOS for late payments
- Reduce the cost of collecting accounts receivable
- Maximize cash flow

Invoices are issued according to the EOS fee schedule and are due within 30 days of issuance, unless otherwise specified in writing. Payment methods include EFT, credit card, or other formats approved by the ED. Receipts are provided upon request or within 7 business days of payment.

All accounts 30 days past due or more will be subject to the applicable late fee or interest.

### Late Payment Fees

Balance Owning	Fee Applied	Frequency
Under \$500	\$10 late fee	Monthly, until paid
\$500 or more	2% interest (compounded monthly)	Monthly

The Executive Director is responsible for applying these charges. The EOS Board may approve exceptions or grace periods in exceptional circumstances (e.g., new members, technical errors, or hardship requests).

Clubs or members with a demonstrated two-year history of late payment may be required to post a financial bond of up to 75% of their most recent full outdoor season fees. This bond must be paid by May 1 of the current outdoor season, or by the date determined by the Board.

The ED will administer any late payment fees and interest and will inform the Board of Directors of all accounts that are more than thirty days overdue.

According to the EOS Policies, members who do not pay their invoices or applicable late charges within 90 days may face disciplinary action. Such action could involve suspension of services, temporary loss of good standing, or other measures, including expulsion, following due process and a vote by the Board.

The ED may recommend to the Board that uncollectible accounts (e.g., defunct clubs, dissolved entities) be written off. All write-offs must be approved by the Board and documented in the financial records. These accounts will remain recorded in the system for future tracking if necessary.



## 12. ROLES AND RESPONSIBILITIES

The EOS Board is responsible for approving the policy and making any updates to it.

The EOS Executive Director oversees the implementation of the policy.

## 13. BREACH OF POLICY

Staff members who breach this policy are subject to disciplinary actions detailed in the Employee Policy.

Board members who breach this policy are subject to disciplinary action as outlined in the Organization's Bylaws and Rules.

## 14. APPROVALS AND REVIEW

VERSION	AUTHOR	DATE	REASON FOR CHANGE
1	V Lowe	April 2025	Initial draft
2	VLowe	June 2025	Board Approval



## Appendix A



### DELEGATION OF AUTHORITIES MATRIX

ACTIVITY	MANAGER	EXECUTIVE DIRECTOR	TREASURER	OFFICERS	BOARD OF DIRECTORS	SIGNING OFFICERS
<b>PLANNING</b>						
Borrowing according to Bylaw limits		E	A		R	
Budget		E	A		A	
Financial Record Management		M	C			
Long Term Investments and Reserves		E	A		A	S
Maintain Bank Accounts		M	C			
Maintain Chart of Accounts		M	C			
Online Account Access	E	M	E			E
Referee Development	C	E	C		A	
Set Employee Salaries and Benefits		E	A		A	
Set Fees and Fines		E	A		A	
Short Term Investments		E	A		A	R
<b>PROCUREMENT</b>						
Insurance	E	A	A			R
Contracts included in budget		M	S		C	R
Contracts over budget		E	A		A	S
Recommend Auditors to Members for approval		E	A		A	
<b>COMPLIANCE</b>						
Audit		E	A		A	
Bank and Credit Card Reconciliations		E	A			
Board Financial Reports		E	A			
Financial Reports for Members		E	A		A	
<b>EXPENSES</b>						
Administrative Expenses within budget	E	M				S
Administrative Expenses over budget		E	A	A		S
Coach and Club Development within budget	E	M				S
Coach and Club Development over budget		E	A	A		S
Credit Card Transactions within card limit	E	M	A			
Expense Reimbursement within budget		M				S
Expense Reimbursement over budget		E	A	A		S
Legal Expenses under \$1500		M				S
Legal Expenses over \$1500		E	A	A		S
Office Assets under \$1500		M				S
Office Assets over \$1500		E	A	A		S
Ontario Soccer expenses	E	M				S
Referee payments	E	A				S
Salaries and Benefits		E	A			S
Staff Training	F	M				S

**E** Execute  
**A** Approve  
**C** Consult  
**S** Sign Payments  
**M** Manage (execute and approve)  
**R** Receive Report